

ORDINANCE 24-08

AN ORDINANCE TO AMEND ORDINANCE 19-31 TO ESTABLISH SEWER RATES FOR CUSTOMERS OF THE CITY OF SPRING HILL

WHEREAS, the Board of Mayor and Aldermen of the City of Spring Hill desire to set equitable rates for sewer for the customers of Spring Hill; and

WHEREAS, it has been determined by a rate study completed by Raftelis, and by City staff, that sewer rates should be adjusted in order to cover operational costs incurred by the system, and is in the best interest of the City of Spring Hill and its residents; and

WHEREAS, it is recommended that rates be adjusted in a phased, multi-year increase; and

WHEREAS, the rates will be structured and increased per the schedule noted below;

BE IT THEREFORE ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF SPRING HILL, TENNESSEE, that the following sewer rates be established and take effect as follows.

Section 1. The sewer rates will increase on July 1, 2024 as follows:

Sewer Base Charge (all customers): \$15.09
Sewer Volume Charge (per 1,000 gallons): \$5.65

Section 2. The sewer rates will increase on July 1, 2025 as follows:

Sewer Base Charge (all customers): \$19.62
Sewer Volume Charge (per 1,000 gallons): \$7.35

Section 3. The sewer rates will increase on July 1, 2026 as follows:

Sewer Base Charge (all customers): \$25.51
Sewer Volume Charge (per 1,000 gallons): \$9.56

Section 4. The sewer rates will increase annually starting on July 1, 2027 by the greater percentage of either three percent or the percent increase in the Consumer Price Index.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on this 3rd day of June, 2024.



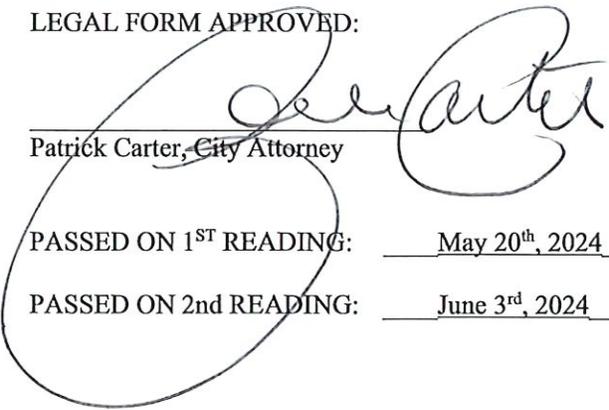
Jim Hagaman, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:


Patrick Carter, City Attorney

PASSED ON 1ST READING: May 20th, 2024

PASSED ON 2nd READING: June 3rd, 2024

City of Spring Hill TN

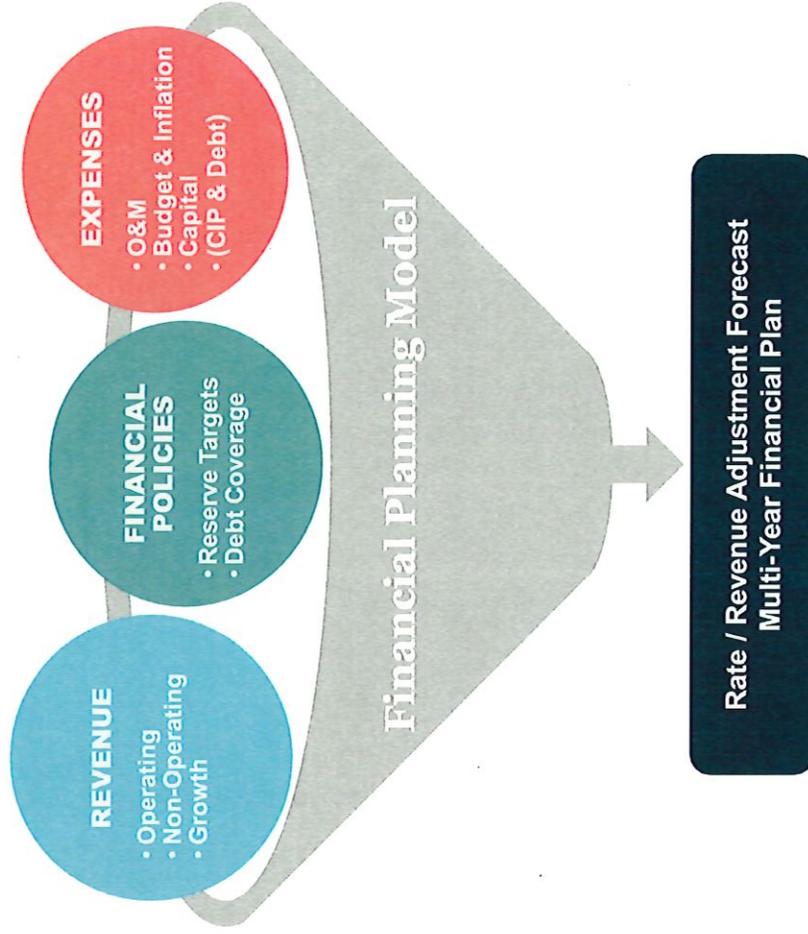
Water and Sewer Rate Study – Staff Recommendation

April 9, 2024



Financial Plan

- Goal is to model yearly cash flow and reserve balances and calculate rates
 - Key Cost Drivers
 - › Cost Escalation
 - › CIP / Capital Needs
 - Revenue Drivers
 - › Customers and usage
 - › Rate increases
 - Financial policies are the balancing mechanism



5-Year Capital Plan: FY25-29

CIP (\$ Millions)



- 5-Year CIP includes \$249.2 million in expenditures
 - > Average annual spending of \$50 million/year
 - > Funded through debt and cash/reserves
 - \$215.8M Debt Financing
 - \$33.4M Cash/Reserves

85%

Debt Capital ■ Cash Capital

- Currently have \$22.3 million budgeted in FY 2024 for capital projects, not included in the 5-year CIP

Large Capital Projects

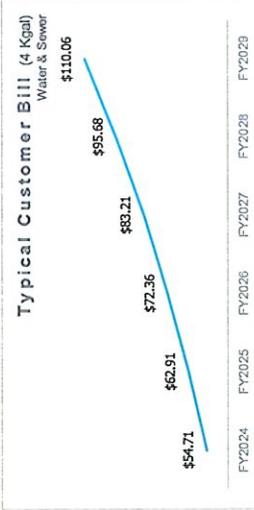
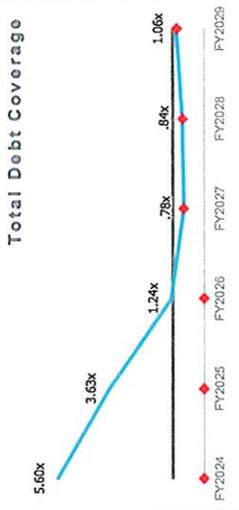
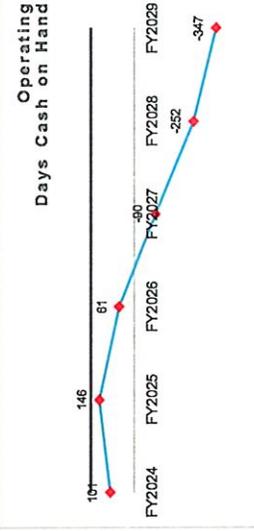
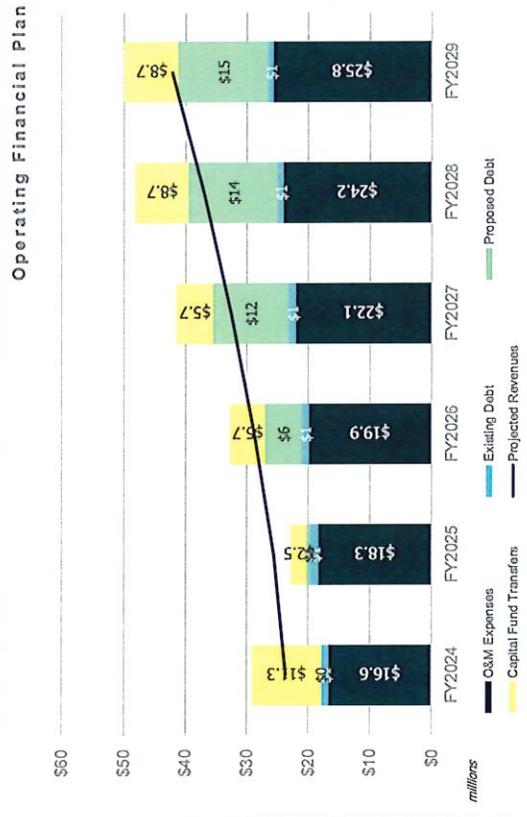
- Assumed GO Bond funding for larger projects
- GO Bonds have a 25-year term at 4.5% interest rate.
- Water Projects
 - > \$75.0M – Water Tanks/Reservoir
 - > \$74.8M – Advanced Purification Project
 - > \$23.0M - WTP Treatment Upgrades and Capacity Upgrade
- Sewer Projects
 - > \$28.0 – WWTP Expansion Phase I
 - > \$15.0 – WWTP Expansion Phase II

15% Increases Across the Board

City of Spring Hill, TN

KEY FINANCIAL DATA

	2024	2025	2026	2027	2028	2029
Water Rate Increases						
Base Charges	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Volumetric Rate	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Sewer Rate Increases						
Fixed Rate	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Base Charges	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Volumetric Rate	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Residential Volume	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Non-Residential Volume	0.00%	15.00%	15.00%	15.00%	15.00%	15.00%



Staff Recommendation

(25% increase in year 1)

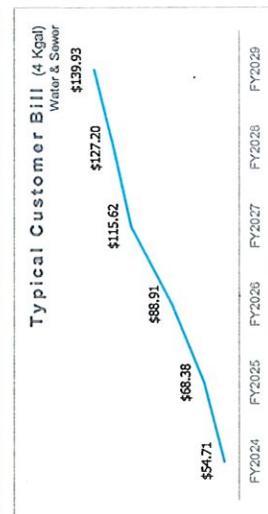
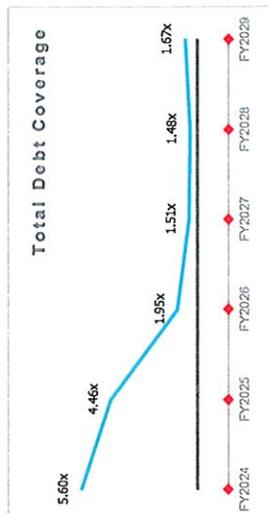
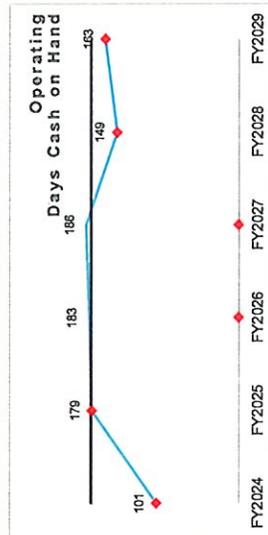
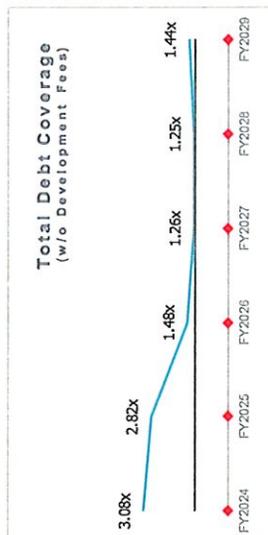
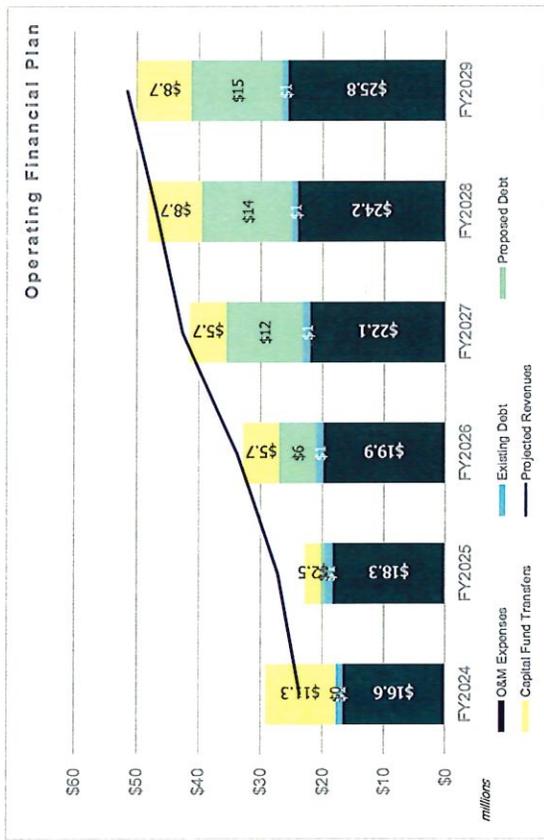


25% Increase First

City of Spring Hill, TN

KEY FINANCIAL DATA

	2024	2025	2026	2027	2028	2029
Water Rate Increases						
Base Charges	0.00%	25.00%	30.00%	30.00%	10.00%	10.00%
Volumetric Rate	0.00%	25.00%	30.00%	30.00%	10.00%	10.00%
Sewer Rate Increases						
Fixed Rate	0.00%	25.00%	30.00%	30.00%	10.00%	10.00%
Base Charges	0.00%	25.00%	30.00%	30.00%	10.00%	10.00%
Volumetric Rate	0.00%	25.00%	30.00%	30.00%	10.00%	10.00%
Residential Volume	0.00%	25.00%	30.00%	30.00%	10.00%	10.00%
Non-Residential Volume	0.00%	25.00%	30.00%	30.00%	10.00%	10.00%



Rates & Rate Structure Options

Water

- Across-the-Board Increases
 - > Base Charges (25%)
 - > Volume Charges (25%)

• Volumetric Rate Changes

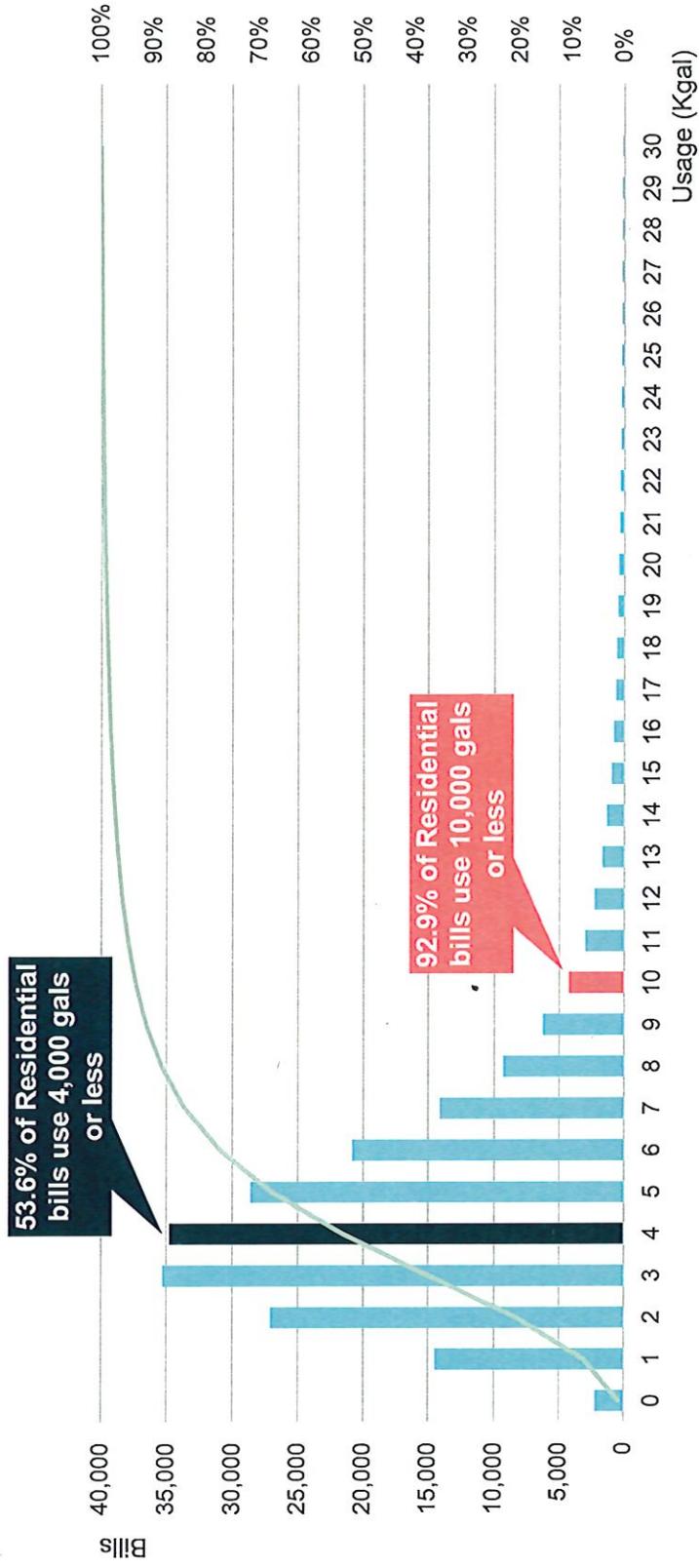
- > Base Charges (25%)
- > Volume Charges
 - Residential 3-Tiered Structure
 - All Irrigation charged at Tier 3 Residential rate
 - Non-residential (25%)

Sewer

- Across-the-Board Increases
 - > Base Charges (25%)
 - > Volume Charges (25%)

Both water rate scenarios produce revenues equivalent to 25% increase in user revenue.

Bill Frequency Analysis - Residential



User Rates – Increases (25% first)

Water Base Charge	Existing	FY 2025	FY 2026	FY 2027
Inside	\$ 9.80	\$ 12.25	\$ 15.93	\$ 20.71
Outside	\$ 18.47	\$ 23.09	\$ 30.02	\$ 39.03
1 Inch	\$ 43.23	\$ 54.04	\$ 70.25	\$ 91.33
1-1/4 or 1-1/2 Inch	\$ 57.60	\$ 72.00	\$ 93.60	\$ 121.68
2 Inch	\$ 71.98	\$ 89.98	\$ 116.97	\$ 152.06
3 Inch	\$ 92.10	\$ 115.13	\$ 149.67	\$ 194.57
4 Inch	\$ -	\$ -	\$ -	\$ -
8 Inch	\$ 646.98	\$ 808.73	\$1,051.35	\$1,366.76
33 Minimums	\$ 486.33	\$ 607.91	\$ 790.28	\$1,027.39
Water Volume Charge (per kgal)	\$ 3.69	\$ 4.61	\$ 5.99	\$ 7.79
Sewer Charges				
Base Charge (all customers)	\$ 12.07	\$ 15.09	\$ 19.62	\$ 25.51
Volume Charge (per kgal)	\$ 4.52	\$ 5.65	\$ 7.35	\$ 9.56

Water Base Charges apply to irrigation meters as well. Multi-Unit rate same as inside charge.

Rate Increases & Structure Change

Water Base Charge	Existing	FY 2025	FY 2026	FY 2027
Inside (Same as Slide Before with 25%)	\$ 9.80	\$ 12.25	\$ 15.93	\$ 20.71
Water Volume Charge (per kgal)				
Residential				
Tier 1 (0-4 Kgal)	\$ 3.69	\$ 4.13	\$ 5.37	\$ 6.98
Tier 2 (4-10 Kgal)	\$ 3.69	\$ 5.16	\$ 6.71	\$ 8.72
Tier 3 (10+ Kgal)	\$ 3.69	\$ 6.19	\$ 8.05	\$ 10.47
Non-Residential	\$ 3.69	\$ 4.61	\$ 5.99	\$ 7.79
Irrigation	\$ 3.69	\$ 6.19	\$ 8.05	\$ 10.47

Additional increases anticipated for 5-year forecast period.

Sewer Charges				
Base Charge (all customers)	\$ 12.07	\$ 15.09	\$ 19.62	\$ 25.51
Volume Charge (per kgal)	\$ 4.52	\$ 5.65	\$ 7.35	\$ 9.56

Rate Increases & Structure Change

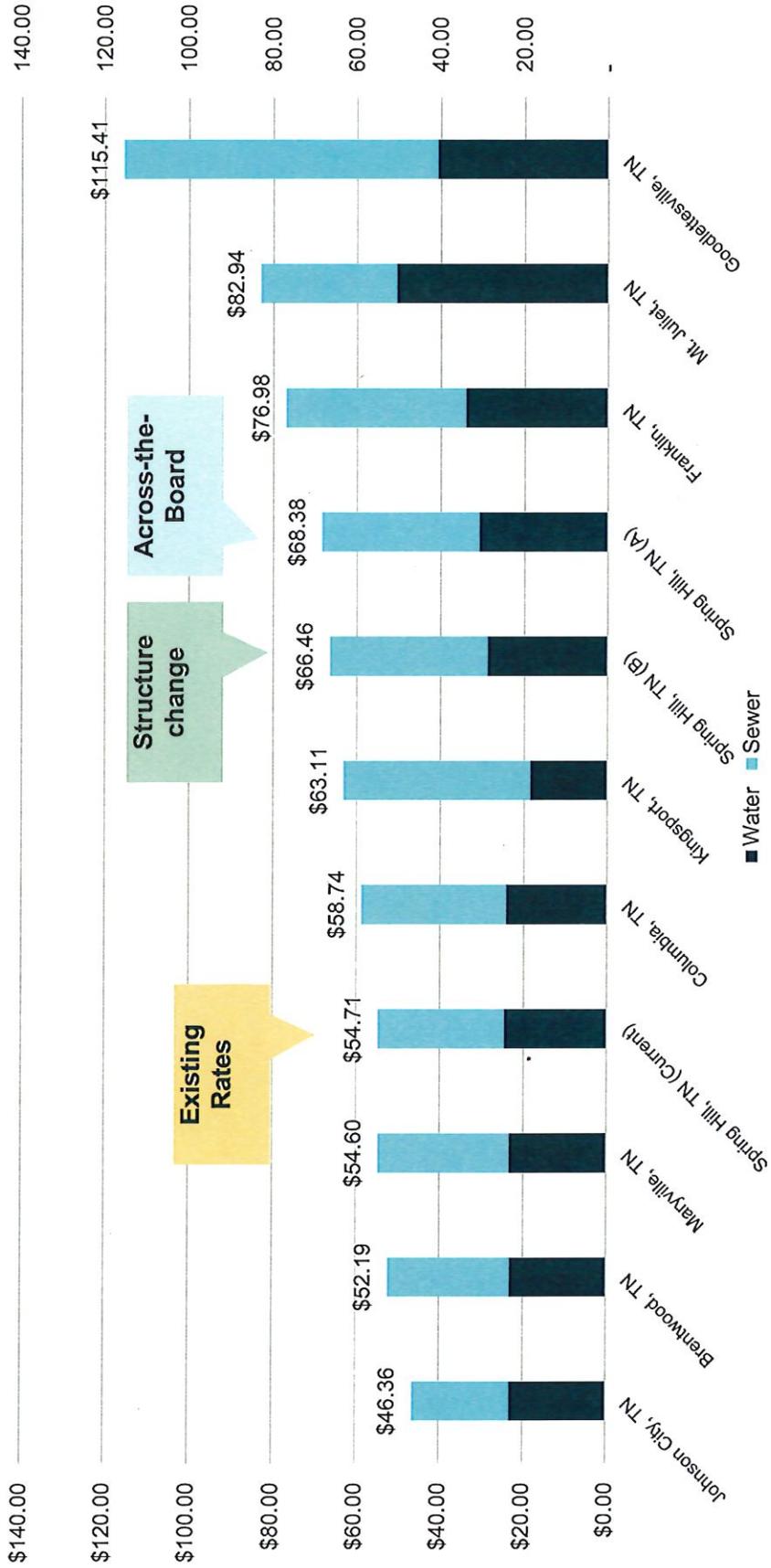
Water Base Charge	Existing	FY 2025	\$ Change	% Change
Inside (Same as Slide Before with 25%)	\$ 9.80	\$ 12.25	\$ 2.45	25%
Water Volume Charge (per kgal)				
Residential				
Tier 1 (0-4 Kgal)	\$ 3.69	\$ 4.13	\$ 0.44	11.9%
Tier 2 (4-10 Kgal)	\$ 3.69	\$ 5.16	\$ 1.47	39.8%
Tier 3 (10+ Kgal)	\$ 3.69	\$ 6.19	\$ 2.50	67.8%
Non-Residential	\$ 3.69	\$ 4.61	\$ 0.92	25%
Irrigation	\$ 3.69	\$ 6.19	\$ 2.50	67.8%

Additional increases anticipated for 5-year forecast period.

% Bills	% Usage
53.6%	63.3%
39.3%	26.6%
7.1%	10.1%

Sewer Charges	Existing	FY 2025	\$ Change	% Change
Base Charge (all customers)	\$ 12.07	\$ 15.09	\$ 3.02	25%
Volume Charge (per kgal)	\$ 4.52	\$ 5.65	\$ 1.13	25%

Bill Comparison for Typical Users (5/8" 4-kgal)



System Development Fees

- One-time charge assessed to new development to pay for capacity in the water and sewer systems
 - › *“Growth pays for growth”*
- Fees have to be put aside in a separate fund and used to pay for growth related projects or debt service associated with growth projects
- Fees need to be based on existing fixed asset information and/or on an approved capital improvement plan
- Existing fees for one ERU of service or 5/8” meter
 - › Current water fee - \$1,243
 - › Current sewer fee - \$1,692

System Development Fees

- Maximum Cost Justified Fees for 5/8" meter or one ERU
 - › Water fee - \$2,230
 - › Sewer fee - \$3,748
- Staff proposes the following increases

Water	Existing	FY 25	FY 26	FY 27
5/8" Meter Charge (one ERU)	\$ 1,243	\$ 1,554	\$ 2,020	\$ 2,230
% Increase		25%	30%	10.3%

Sewer	Existing	FY 25	FY 26	FY 27
5/8" Meter Charge (one ERU)	\$ 1,692	\$ 2,115	\$ 2,750	\$ 3,035
% Increase		25%	30%	30%

QA & Q

ORDINANCE NO. 19-31

**AN ORDINANCE TO AMEND ORDINANCE 10-09, TO
ESTABLISH SEWER RATES FOR CUSTOMERS OF
THE CITY OF SPRING HILL**

WHEREAS, the Mayor and Board of Aldermen of The City of Spring Hill desire to set fair sewer rates for the residents of Spring Hill; and

WHEREAS, it has been determined by a rate study completed by Jackson Thornton, and by City Staff, that Sewer rates should be adjusted in order to cover costs incurred by the system; and

WHEREAS, it has been determined that a phased, multi-year increase approach is desirable; and

WHEREAS, it has been recommended that sewer volume included in the minimum base charge be reduced from 2,000 gallons to 1,000 gallons in year one and then reduced from 1,000 gallons to zero (0) gallons in year two.

BE IT THEREFORE ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF SPRING HILL, TENNESSEE, that the following rates be established and shall take effect on as follows.

Section 1. The established Sewer rates for customers served by the City of Spring Hill municipal sewer system beginning October 16, 2019 are as follows:

<u>Gallons per month:</u>	<u>Sewer Rate Inside City:</u>
0 - 1,000	\$ 12.07 (minimum)
Over 1,000	\$ 4.52 per thousand gal.

Section 2. The Sewer rates shall increase on July 1, 2020, upon review by the Board of Mayor and Aldermen to the following:

Gallons per month:

-0-

Sewer Rate Inside City:

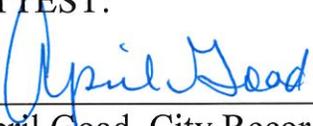
\$ 12.07 (minimum)
\$ 4.52 per thousand gal.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 16th day of September, 2019.



Rick Graham, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney

PASSED ON 1ST READING: August 19, 2019

PASSED ON 2ND READING: September 16, 2019



REQUEST: *Water and Sewer Rate Adjustment*

SUBMITTED BY: Victor Lay, City Administrator

DATE: August 1, 2019

ATTACHMENTS:

SPRING HILL WATER COS FINAL

SPRING HILL SEWER COS FINAL

PURPOSE:

To correct operational deficiencies in the Water and Sewer funds by following recommendations of the Jackson-Thornton Cost of Service Study.

BACKGROUND:

The City of Spring Hill Water and Sewer Fund has experienced a loss for two consecutive years (FY 2016-17 and FY 2017-18). Those losses were due to the unbudgeted expenditure related to utility relocation on Duplex Road and inadequate accounting of depreciation the following year. Due to those losses and the expectation that revenues might fall short of expenditures during the 2018-19 fiscal year, the city hired Jackson-Thornton to conduct a "Cost of Services" study so that a plan for future expenses could be determined and thus identify the level revenues that will be needed to satisfy those expenses.

As a part of the study results, Jackson Thornton recommended a multi-year phased approach for increasing revenue. Their recommendation included NOT adjusting the actual per thousand gallon rates but rather reduce over time the "free" volume of water/sewer being included in the base rate or "minimum" charge. Currently, the city includes 2000 gallons within its base rate for both water and sewer minimums. It is recommended that during year one, FY2019-2020 (the initial year after passage of a new ordinance) the 2000 gallons be reduced to 1000 gallons. Although not every customer uses 2000, quick math will estimate that the reduction will generate over \$600,000.00 ($14,500 \times \$3.90 \times 12 = \$678,600$) in the Water system and an additional \$700,000 plus ($14500 \times 4.52 \times 12 = \$786,480.00$) in the sewer system in the first year.



The second year (FY 2019-20), it is recommended to reduce the volume allowed in the base rate from 1000 gallons to zero (0) gallons. Once again, that will increase the revenue stream but without actually raising the rate per thousand gallons.

The ordinance before the BOMA includes language addressing both fiscal years with the caveat that the BOMA would review the second 1000 gallon removal prior to it automatically becoming effective.

The study then recommended that the City review the incomes and expenses at that time to see where changes have occurred before implementing additional adjustments.

STAFF RECOMMENDATION:

It is staff's recommendation that the BOMA follow the recommendations concluded by the Jackson-Thornton Cost of Services Study for the Water and Sewer Systems and implement over a two-year period the reduction of the 2000 gallons included in the current minimum charge.

Certified Public Accountants
& Consultants



2019 Sewer Cost of Service Study Report
City of Spring Hill

MEMORANDUM

To: Victor Lay, City Administrator

From: Sarah Chandler

Date: June 3, 2019

RE: City of Spring Hill Sewer Revenue Requirements and Cost of Service/Rate Study

The City of Spring Hill ("Spring Hill") engaged Jackson Thornton to perform a Revenue Requirements Study and Cost of Service/Rate Study for its sewer system. The American Water Works Association ("AWWA") has cost of service and rate design methodologies outlined in its "Principles of Water Rates, Fees and Charges" commonly referred to as the M1 Manual. Jackson Thornton Utilities has designed a cost of service model for sewer systems around this manual and other generally accepted cost of service principles. The above-mentioned model was used to determine the revenue requirements for Spring Hill's sewer system.

Typically, the overriding objectives of a cost of service and rate study are to design a rate structure (or modify existing rate structures) for a system that has the following characteristics:

1. Revenue that is stable over time, and sufficient in the recovery of the costs needed to operate the system.
2. Rates that are fair and equitable. Fair referring to each rate class recovering its true cost of service and equitable meaning price should equal cost.
3. Rates that are designed in a way that does not hinder the consumer's ability to pay.
4. Rates that are simple both for the benefit of the utility and the consumer.
5. Rates that are legally defensible.

The Cash Method was employed in the model to calculate the revenue requirement for the system. The categories to be recovered in the revenue requirement included operations and maintenance expense, debt service (principal and interest), taxes and transfers, and rate funded capital improvement (CIP) funds.

There are three major steps commonly referred to in cost of service methodology:

1. Functionalization of the utility's revenue requirement according to the services provided
2. Classification of the utility's revenue requirements according to services provided
3. Allocation of the utility's revenue requirements to all customer classes

The full sewer system cost of service study immediately follows this memo.

Functionalization of Revenue Requirements

Cost of service rates are based on the revenue requirements of the utility. A water utility has a set of costs that must be met through rates each year in order to continue operations. As mentioned above, those expenses generally relate to operations and maintenance of the system, payment of debt service (principal and interest) and the funding of repair, replacement and new construction of system assets. For purposes of this study, operations and maintenance expenses were functionalized into the following categories:

1. Treatment
2. Collection
3. Customer Accounting

Classification of Revenue Requirements

After a utility's expenses have been functionalized, they can be classified according to how that cost was incurred. There are several methodologies that can be employed in this process; the two most commonly used being the Base Extra-Capacity Method and the Commodity/Demand Method. We closely follow the Base Extra-Capacity Method. We evaluated costs from an operational perspective. The classification components that were available in the water study were:

1. Base
2. Customer
3. Strength Volume
4. Revenue Related
5. Direct Assignment (not used)

Base costs are those costs related to providing service from an average daily perspective. These were costs simply associated with collecting sewer from every customer and vary based on consumption.

Customer related expenses are expenses not associated with the collection of sewer. All utilities incur a certain degree of expense just to operate, and would incur those expenses even if no sewage was collected. These expenses do not fluctuate based on usage and are allocated equally to each customer.

All sewer utilities incur some level of expense due to the strength of the sewage collected. The strength of the sewage requirements are taken into consideration when sizing pipe and services. These costs vary based on the content of the sewage collected from the different customer classes.

Revenue related expenses are expenses tied directly to revenues. This classification is commonly used regarding payments/transfers back to the city.

The direct assignment classification is used when an expense can be directly assigned to a particular customer class.

Classification of expenses is generally straight forward and typically follows the classification of the system asset accounts they support. There is some general interpretation by the cost of service team (consultants and Spring Hill management); in that accounting limitations do not always allow us to know exactly what every dollar in an account represents. In these instances, reasonable assumptions are made and tested to ensure they do not negatively affect the outcomes of the study. Industry standards for classifications are used and the team relies on its cumulative knowledge of the system to ensure its accuracy.

Allocation of Revenue Requirements to Rate Classes:

After the functionalization and classification of revenue requirements, the total revenue requirements must be allocated to each rate class in a manner that provides both fair and equitable cost allocation. In other words, the proper allocation of the revenue requirement will see that each rate class is generating its contribution to the total revenue requirement in whole and that no rate class is cross-subsidizing another. Spring Hill has two types of customer classes:

1. Residential
2. Commercial

Based on the type of expense and the classification category, allocations of the total are made to each rate class.

The classification and allocation of debt service was based on the classification and allocation of Spring Hill's sewer system assets (treatment, transmission, and distribution). Since the debt was issued to construct the sewer system, it was deemed reasonable to classify and allocate the debt as the assets it represents.

The capital improvement project funds included in the revenue requirement were classified and allocated using Spring Hill's CIP plan as a guide. Each project within the five-year CIP window was evaluated individually. After the entire CIP had been classified and allocated, the end-result percentages between rate classes were applied to the CIP funds included in the revenue requirement.

From here, a comparison of revenue requirements by rate class is made to actual revenues by rate class to determine which rate classes (if any) are under-recovering and thus need to be evaluated for rate changes. Expenses classified as customer related are used to calculate cost based customer charges by rate class and all other expenses are used to calculate cost based consumption charges. Options on how to move under-recovering rate classes closer to rate parity are provided to management for consideration.

Results

Based on the results of the 2019 Cost of Service Study, Spring Hill's Sewer System does not have sufficient revenue to meet its revenue requirement. For the period evaluated in the analysis, the revenue shortfall for the water system was \$2.0 MM.

JACKSON THORNTON

Certified Public Accountants
& Consultants

City of Spring Hill 2019 Water Cost of Service Study 12 Months Ending January 2019 Presented June 3, 2019



Typical Objectives of Rate Study

1. Revenue Stability and Sufficiency
2. Fairness and Equity
 - Fair is related to cross subsidies
 - Equity is related to $\text{Price}=\text{Cost}$
3. Ability to Pay
4. Simplicity
5. Defensible

Overview of Process

1. Determine Revenue Requirements
 - How much does the system need to operate?
2. Develop Revenue Requirements by Rate Class
 - How much does the system need to recover by rate class?
3. Develop COS Rates and Design Acceptable Rates
 - How does the system best recover the needed revenues?
4. Implement Rate Changes

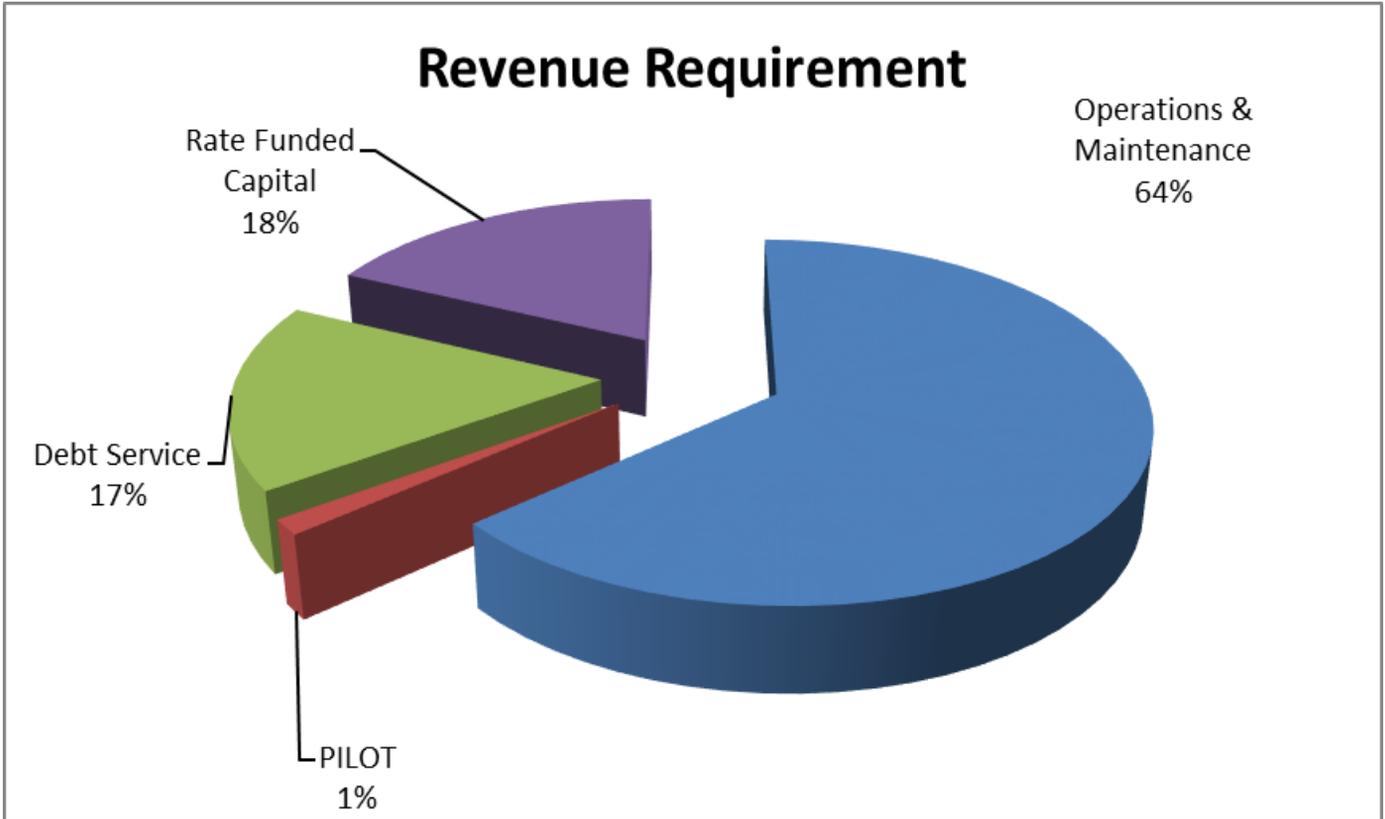
Water - Cash Method – System Revenue Requirement

TOTAL REV . REQ.	
Operations & Maintenance	\$ 4,991,734
Plus: PILOT	\$ 107,726
Plus: Debt Service*	\$ 1,326,977
Plus: Rate Funded Capital**	\$ 1,406,840
Total Revenue Requirement	<u>\$ 7,833,277</u>
Less: Other Revenue	<u>\$ 361,638</u>
Rate Requirement	<u>\$ 7,471,639</u>

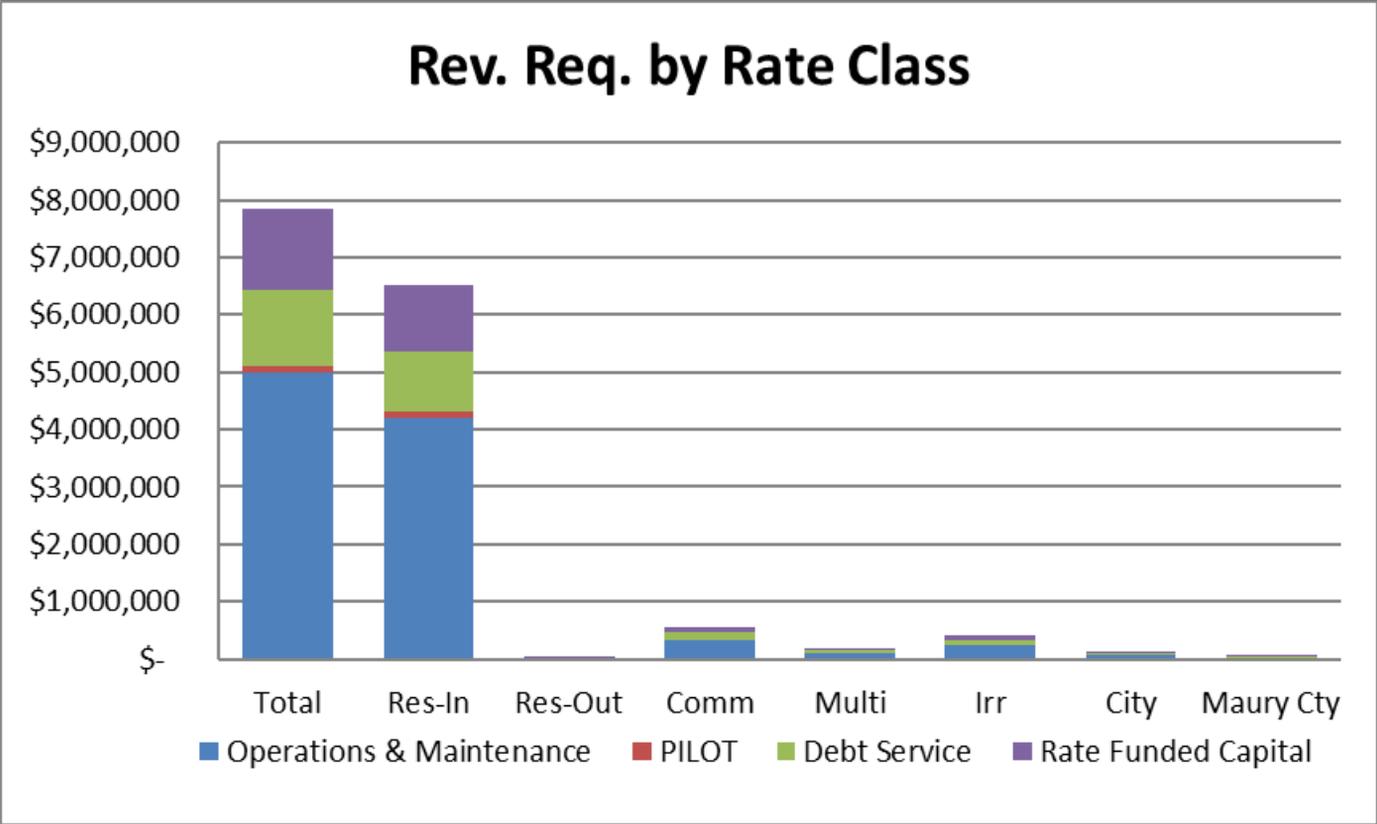
*Includes estimated annual debt service with anticipated borrowing of \$10MM

** Based on five year work plan

Water - Components of Revenue Requirement

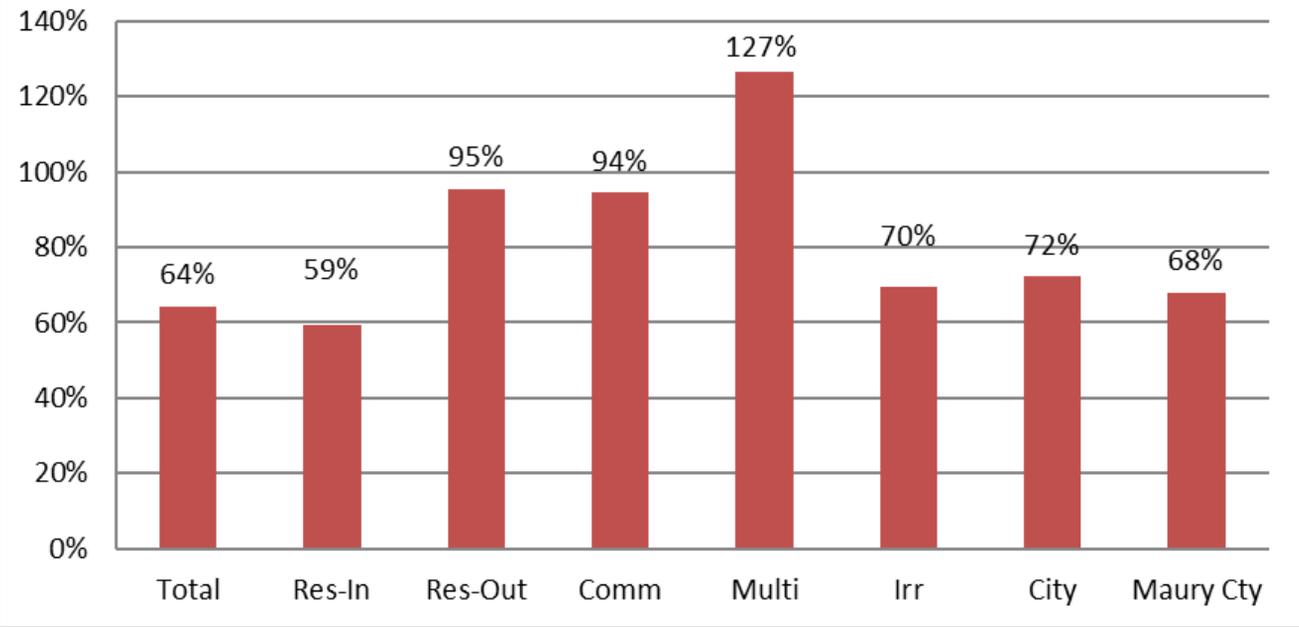


Revenue Requirement by Class



Water - Recovery By Class

Recovery by Rate Class



	Total	Res-In	Res-Out	Comm	Multi	Irr	City	Maury Cty
Total Revenue	\$ 5,021,162	\$ 3,856,272	\$ 21,195	\$ 524,494	\$ 230,621	\$ 276,688	\$ 81,855	\$ 30,038
Over/(Under) Recovery	\$ (2,812,115)	\$ (2,661,372)	\$ (1,007)	\$ (30,968)	\$ 48,404	\$ (121,402)	\$ (31,595)	\$ (14,175)

Water – Revenue Req. – No New Projects/Debt

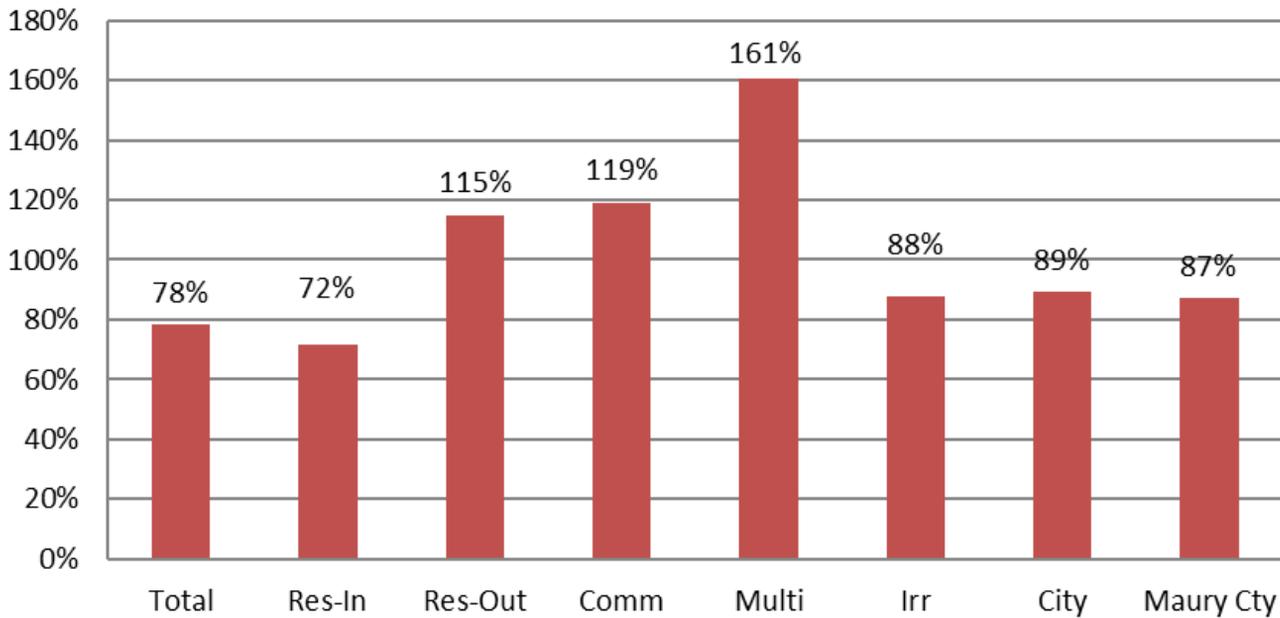
TOTAL REV . REQ.	
Operations & Maintenance	\$ 4,991,734
Plus: PILOT	\$ 107,726
Plus: Debt Service*	\$ 654,820
Plus: Rate Funded Capital**	\$ 672,820
Total Revenue Requirement	<u>\$ 6,427,100</u>
Less: Other Revenue	<u>\$ 361,638</u>
Rate Requirement	<u>\$ 6,065,462</u>

*Actual Debt Service

** Rate Funded Capital = Depreciation

Water – Recovery – No New Projects/Debt

Recovery by Rate Class



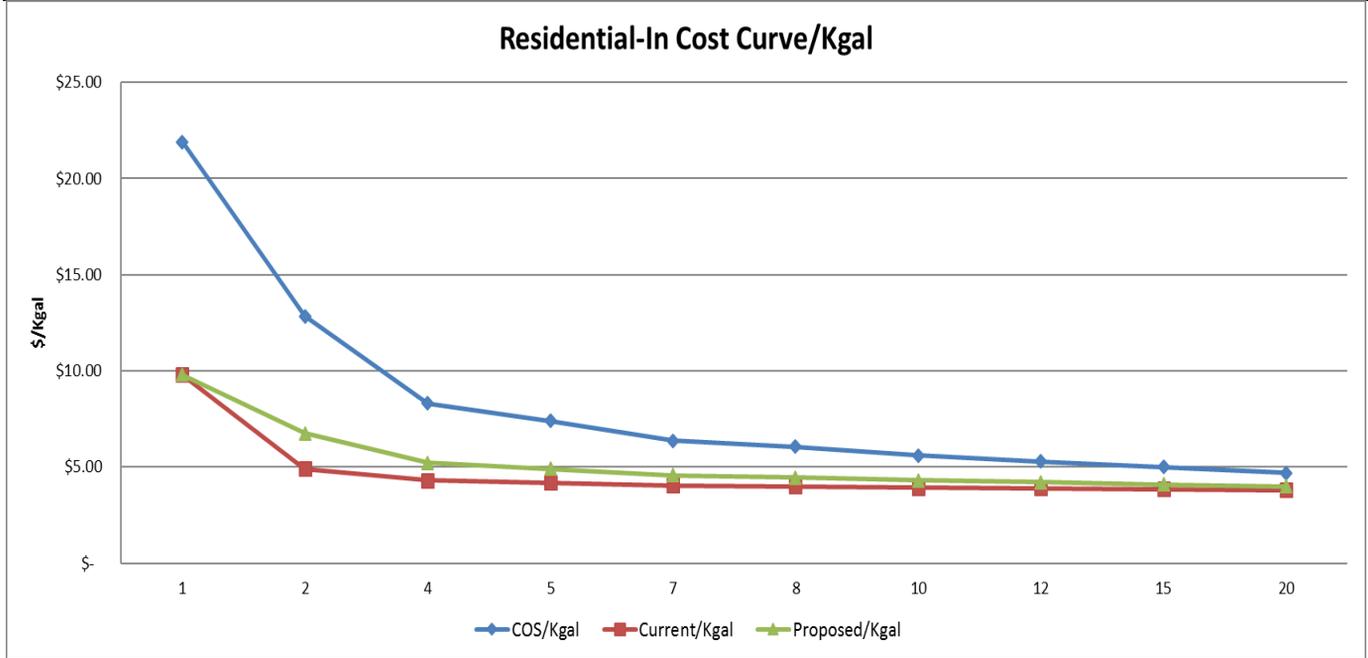
	Total	Res-In	Res-Out	Comm	Multi	Irr	City	Maury Cty
Total Revenue	\$ 5,021,162	\$ 3,856,272	\$ 21,195	\$ 524,494	\$ 230,621	\$ 276,688	\$ 81,855	\$ 30,038
Over/(Under) Recovery	\$ (1,405,938)	\$ (1,526,252)	\$ 2,729	\$ 83,418	\$ 87,095	\$ (38,469)	\$ (10,001)	\$ (4,456)

Water – Conclusions and Recommendations

- For the period, the water system was under-recovered by \$2,812,000 on a \$7,833,000 revenue requirement.
- Rate adjustments are warranted.
- It is recommended that BOMA consider adopting a two year plan to eliminate the usage included in the minimum bill.
- Based on usage statistics for the period, this would bring in additional revenue of approximately \$1,272,000 over the two year period.

Water – Residential Rate Curve – Year 1

	Cost of Service	Current	Proposed	Difference
Customer Charge (incl 2,000 gals)	\$ 18.12	\$ 9.80	\$ 9.80	\$ - (includes 1,000 gals)
All Additional	\$ 3.78	\$ 3.69	\$ 3.69	\$ -

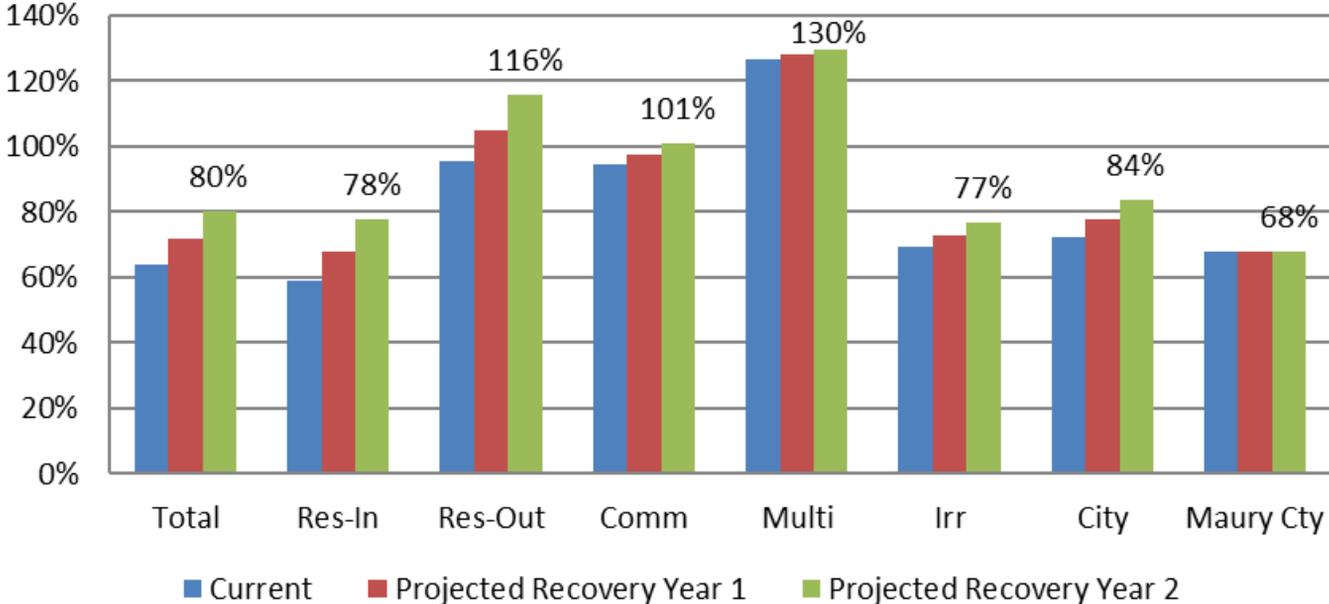


Water – Residential Rate Curve – Year 1

Usage (Kgal)	COS Rates		Current Rates		Proposed Rates		Monthly Change		Daily Change		COS Rate/kGal		Current Rate/kGal		Proposed Rate/kGal		Change/kGal		
1	\$	21.90	\$	9.80	\$	9.80	\$	-	\$	-	\$	21.90	\$	9.80	\$	9.80	\$	-	
2	\$	25.68	\$	9.80	\$	13.49	\$	3.69	\$	0.12	\$	12.84	\$	4.90	\$	6.75	\$	1.85	
4	\$	33.24	\$	17.18	\$	20.87	\$	3.69	\$	0.12	\$	8.31	\$	4.30	\$	5.22	\$	0.92	
5	\$	37.02	\$	20.87	\$	24.56	\$	3.69	\$	0.12	\$	7.40	\$	4.17	\$	4.91	\$	0.74	
7	\$	44.58	\$	28.25	\$	31.94	\$	3.69	\$	0.12	\$	6.37	\$	4.04	\$	4.56	\$	0.53	
8	\$	48.36	\$	31.94	\$	35.63	\$	3.69	\$	0.12	\$	6.05	\$	3.99	\$	4.45	\$	0.46	
10	\$	55.92	\$	39.32	\$	43.01	\$	3.69	\$	0.12	\$	5.59	\$	3.93	\$	4.30	\$	0.37	
12	\$	63.48	\$	46.70	\$	50.39	\$	3.69	\$	0.12	\$	5.29	\$	3.89	\$	4.20	\$	0.31	
15	\$	74.82	\$	57.77	\$	61.46	\$	3.69	\$	0.12	\$	4.99	\$	3.85	\$	4.10	\$	0.25	
20	\$	93.72	\$	76.22	\$	79.91	\$	3.69	\$	0.12	\$	4.69	\$	3.81	\$	4.00	\$	0.18	
Average Usage:				4,716															

Water – Projected Recovery

Projected Recovery by Rate Class



JACKSON THORNTON

Certified Public Accountants
& Consultants

City of Spring Hill 2019 Sewer Cost of Service Study 12 Months Ending January 2019 Presented June 3, 2019



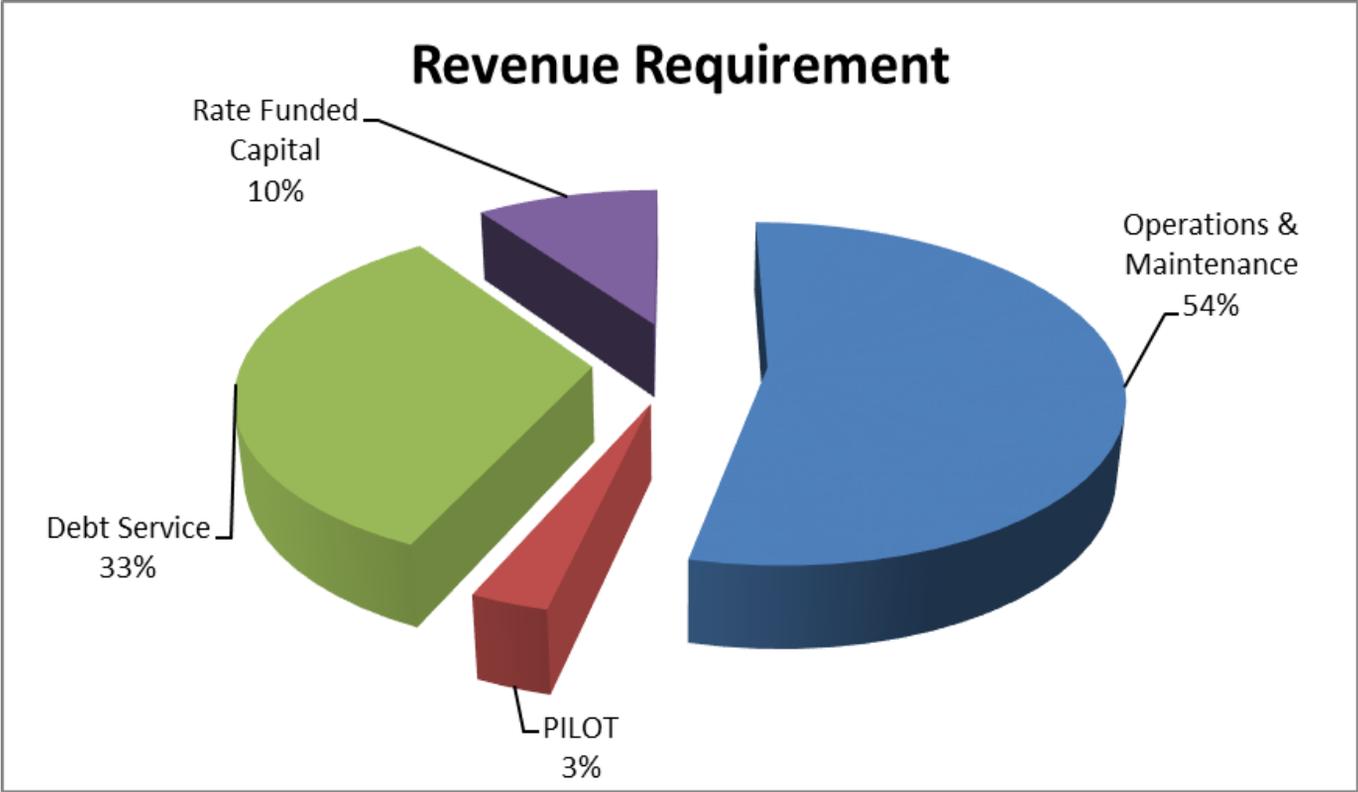
Sewer - Cash Method – System Revenue Requirement

TOTAL REV. REQ.	
Operations & Maintenance	\$ 3,694,272
Plus: PILOT	\$ 207,981
Plus: Debt Service*	\$ 2,298,952
Plus: Rate Funded Capital**	\$ 682,000
Total Revenue Requirement	<u>\$ 6,883,206</u>
Less: Other Revenue	<u>\$ 255,539</u>
Rate Requirement	<u>\$ 6,627,667</u>

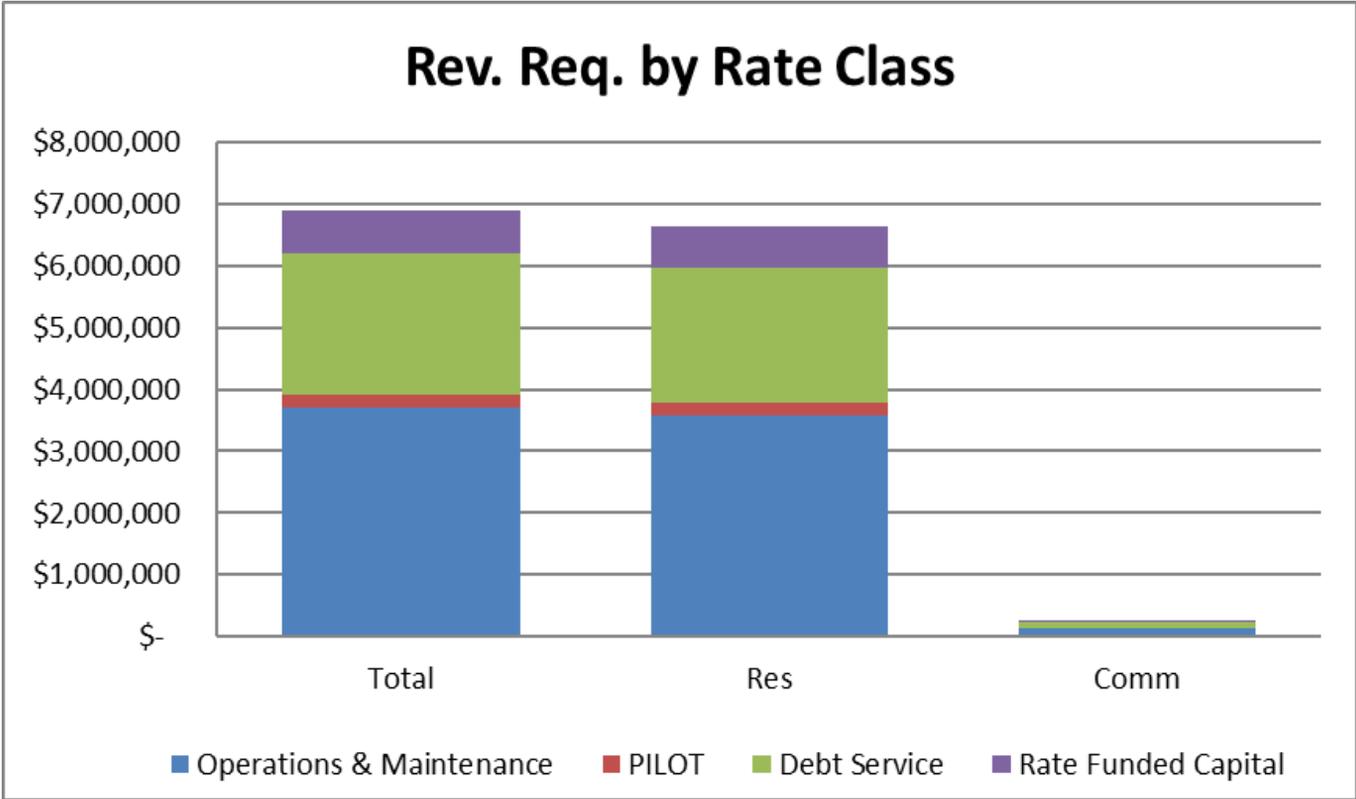
*Includes estimated annual debt service with anticipated borrowing of \$16.3MM

** Based on five year work plan

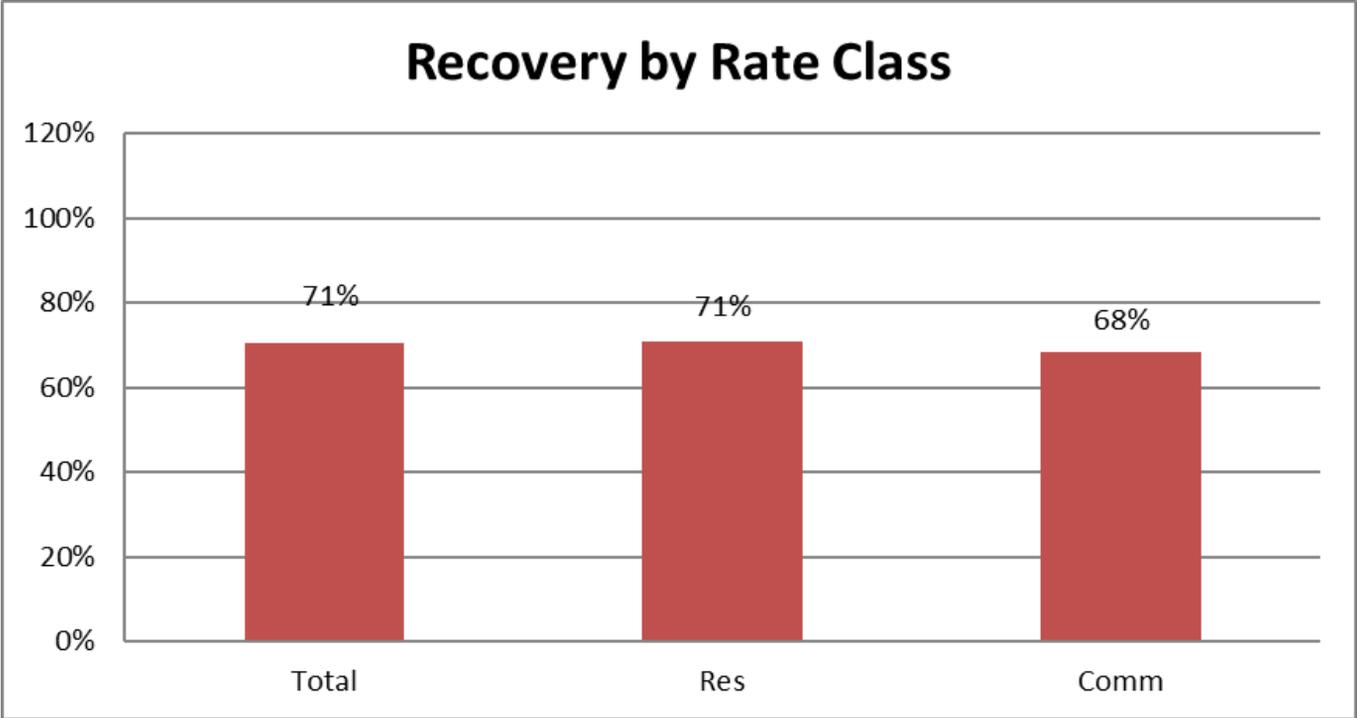
Sewer - Components of Revenue Requirement



Revenue Requirement by Class



Sewer - Recovery By Class



	Total	Res	Comm
Total Revenue	\$ 4,860,053	\$ 4,685,633	\$ 174,420
Over/(Under) Recovery	\$ (2,023,152)	\$ (1,942,100)	\$ (81,052)

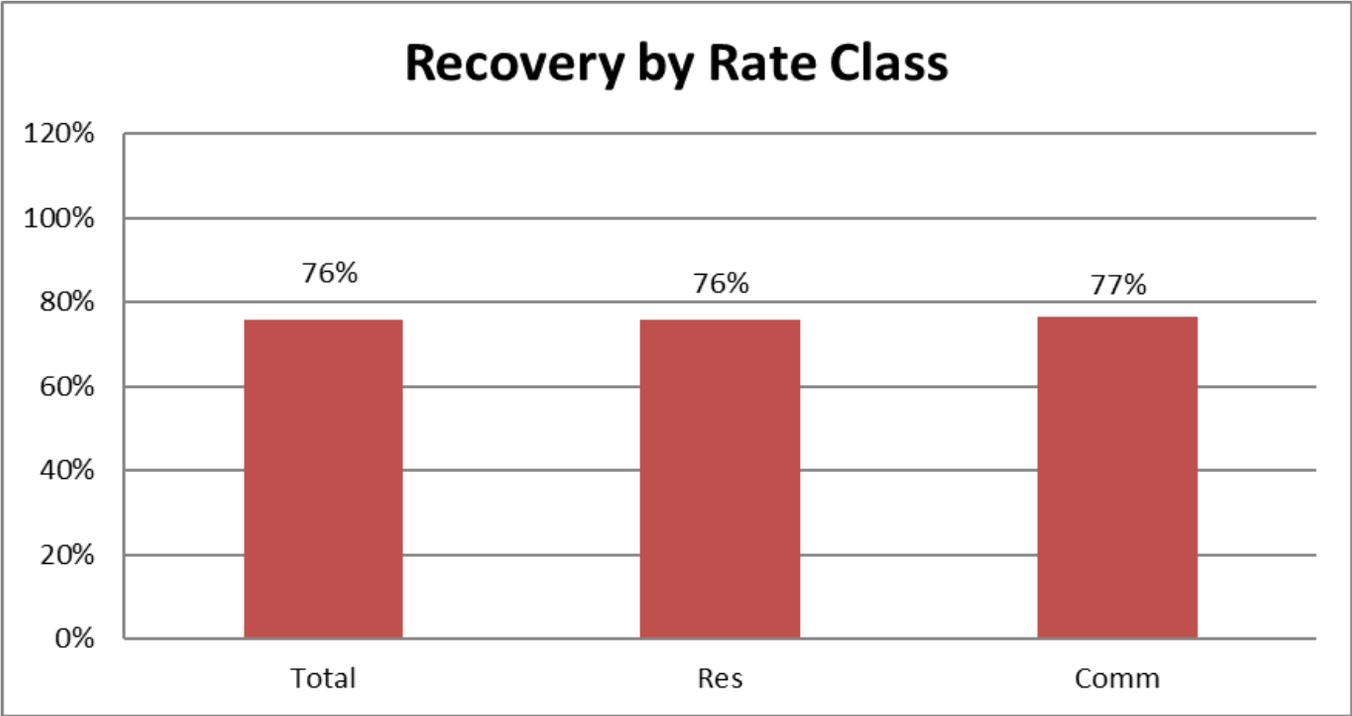
Sewer – Revenue Req. – No New Projects/Debt

TOTAL REV. REQ.	
Operations & Maintenance	\$ 3,694,272
Plus: PILOT	\$ 207,981
Plus: Debt Service*	\$ 1,203,336
Plus: Rate Funded Capital**	\$ 1,298,981
Total Revenue Requirement	<u>\$ 6,404,570</u>
Less: Other Revenue	<u>\$ 255,539</u>
Rate Requirement	<u>\$ 6,149,032</u>

* Actual Debt Service

** Rate Funded Capital = Depreciation

Sewer – Revenue Req. – No New Projects/Debt



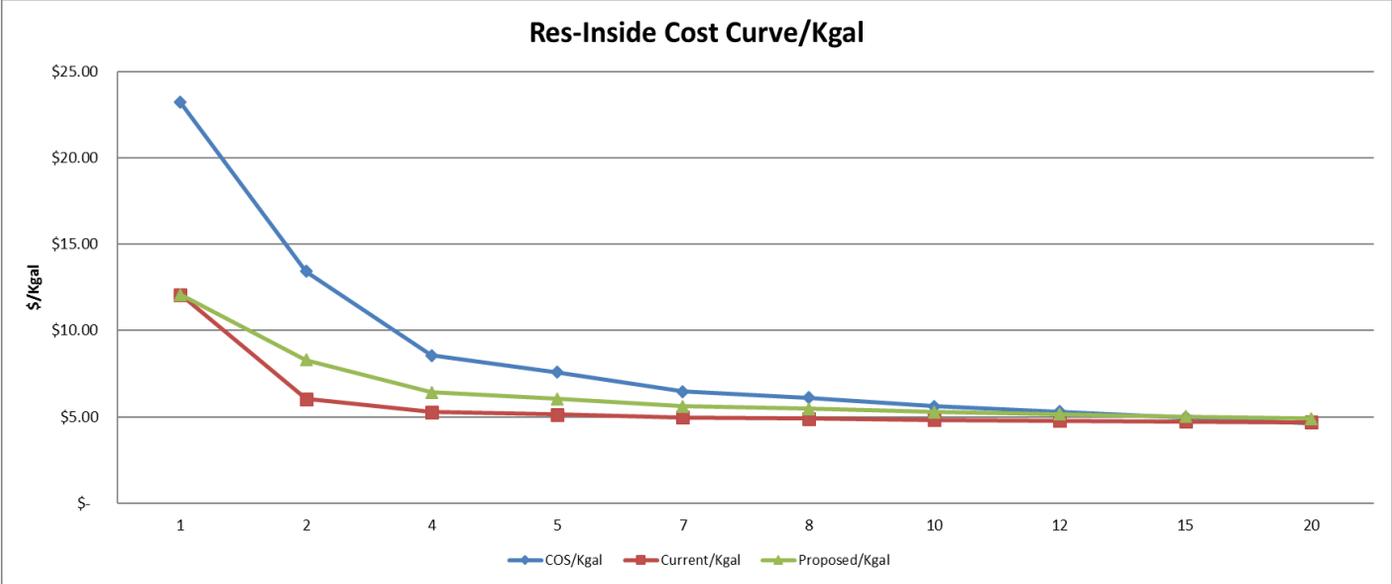
	Total	Res	Comm
Total Revenue	\$ 4,860,053	\$ 4,685,633	\$ 174,420
Over/(Under) Recovery	\$ (1,544,517)	\$ (1,491,296)	\$ (53,221)

Sewer – Conclusions and Recommendations

- For the period, the sewer system was under-recovered by \$2,023,000 on a \$6,983,000 revenue requirement.
- Rate adjustments are warranted.
- It is recommended that BOMA consider adopting a two year plan to eliminate the usage included in the minimum bill.
- Based on usage statistics for the period, this would bring in additional revenue of approximately \$1,464,000 over the two year period.

Sewer – Residential Rate Curve – Year 1

	Cost of Service	Current	Proposed	Difference
Customer Charge (incl 2,000 gals)	\$ 19.55	\$ 12.07	\$ 12.07	\$ - (includes 1,000 gals)
All Additional	\$ 3.66	\$ 4.52	\$ 4.52	\$ -

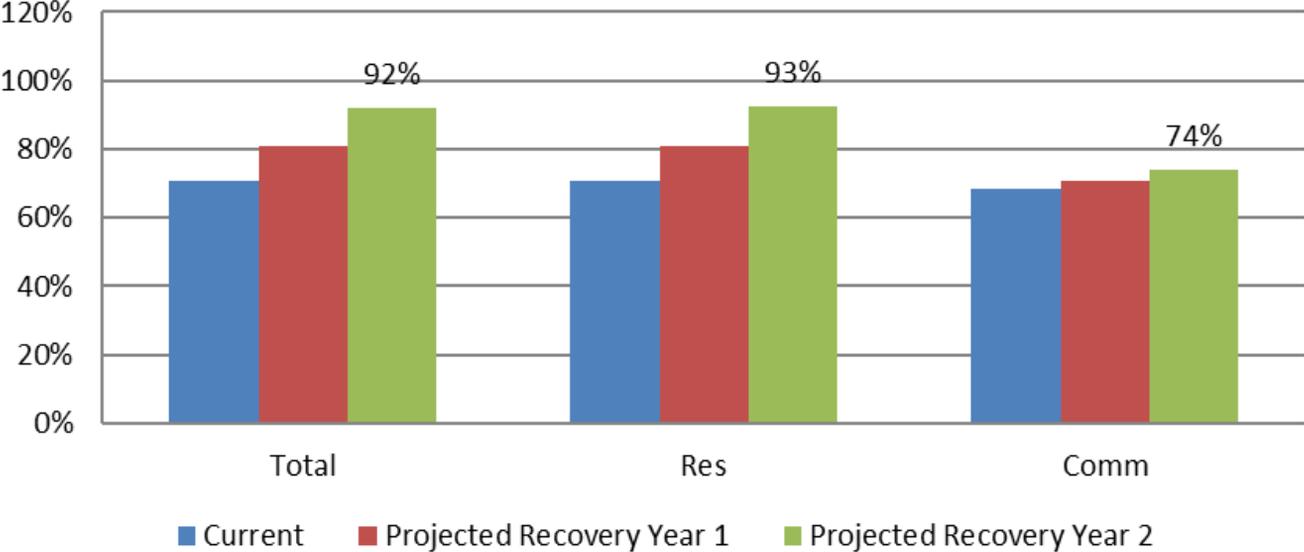


Sewer – Residential Rate Curve – Year 1

Usage (Kgal)	COS Rates	Current Rates	Proposed Rates	Monthly Change	Daily Change	COS Rate/kGal	Current Rate/kGal	Proposed Rate/kGal	Change/kGal
1	\$ 23.21	\$ 12.07	\$ 12.07	\$ -	\$ -	\$ 23.21	\$ 12.07	\$ 12.07	\$ -
2	\$ 26.87	\$ 12.07	\$ 16.59	\$ 4.52	\$ 0.15	\$ 13.43	\$ 6.04	\$ 8.30	\$ 2.26
4	\$ 34.19	\$ 21.11	\$ 25.63	\$ 4.52	\$ 0.15	\$ 8.55	\$ 5.28	\$ 6.41	\$ 1.13
5	\$ 37.85	\$ 25.63	\$ 30.15	\$ 4.52	\$ 0.15	\$ 7.57	\$ 5.13	\$ 6.03	\$ 0.90
7	\$ 45.17	\$ 34.67	\$ 39.19	\$ 4.52	\$ 0.15	\$ 6.45	\$ 4.95	\$ 5.60	\$ 0.65
8	\$ 48.83	\$ 39.19	\$ 43.71	\$ 4.52	\$ 0.15	\$ 6.10	\$ 4.90	\$ 5.46	\$ 0.57
10	\$ 56.15	\$ 48.23	\$ 52.75	\$ 4.52	\$ 0.15	\$ 5.61	\$ 4.82	\$ 5.28	\$ 0.45
12	\$ 63.47	\$ 57.27	\$ 61.79	\$ 4.52	\$ 0.15	\$ 5.29	\$ 4.77	\$ 5.15	\$ 0.38
15	\$ 74.45	\$ 70.83	\$ 75.35	\$ 4.52	\$ 0.15	\$ 4.96	\$ 4.72	\$ 5.02	\$ 0.30
20	\$ 92.75	\$ 93.43	\$ 97.95	\$ 4.52	\$ 0.15	\$ 4.64	\$ 4.67	\$ 4.90	\$ 0.23
Average Usage		4,988							

Sewer – Projected Recovery

Projected Recovery by Rate Class



Sewer – Residential Water and Sewer Combined Bill

At End of Two Year Plan

COMBINED RESIDENTIAL BILL											
Usage (Kgal)	COS Rates		Current Rates		Proposed Rates	Monthly Change	Daily Change	COS Rate/kGal	Current Rate/kGal	Proposed Rate/kGal	Change/ Kgal
1	\$	45.11	\$	21.87	\$ 30.08	\$ 8.21	\$ 0.27	\$ 45.11	\$ 21.87	\$ 30.08	\$ 8.21
2	\$	52.55	\$	21.87	\$ 38.29	\$ 16.42	\$ 0.55	\$ 26.27	\$ 10.94	\$ 19.15	\$ 8.21
4	\$	67.43	\$	38.29	\$ 54.71	\$ 16.42	\$ 0.55	\$ 16.86	\$ 9.57	\$ 13.68	\$ 4.11
5	\$	74.87	\$	46.50	\$ 62.92	\$ 16.42	\$ 0.55	\$ 14.97	\$ 9.30	\$ 12.58	\$ 3.28
7	\$	89.75	\$	62.92	\$ 79.34	\$ 16.42	\$ 0.55	\$ 12.82	\$ 8.99	\$ 11.33	\$ 2.35
8	\$	97.19	\$	71.13	\$ 87.55	\$ 16.42	\$ 0.55	\$ 12.15	\$ 8.89	\$ 10.94	\$ 2.05
10	\$	112.07	\$	87.55	\$ 103.97	\$ 16.42	\$ 0.55	\$ 11.21	\$ 8.76	\$ 10.40	\$ 1.64
12	\$	126.95	\$	103.97	\$ 120.39	\$ 16.42	\$ 0.55	\$ 10.58	\$ 8.66	\$ 10.03	\$ 1.37
15	\$	149.27	\$	128.60	\$ 145.02	\$ 16.42	\$ 0.55	\$ 9.95	\$ 8.57	\$ 9.67	\$ 1.09
20	\$	186.47	\$	169.65	\$ 186.07	\$ 16.42	\$ 0.55	\$ 9.32	\$ 8.48	\$ 9.30	\$ 0.82

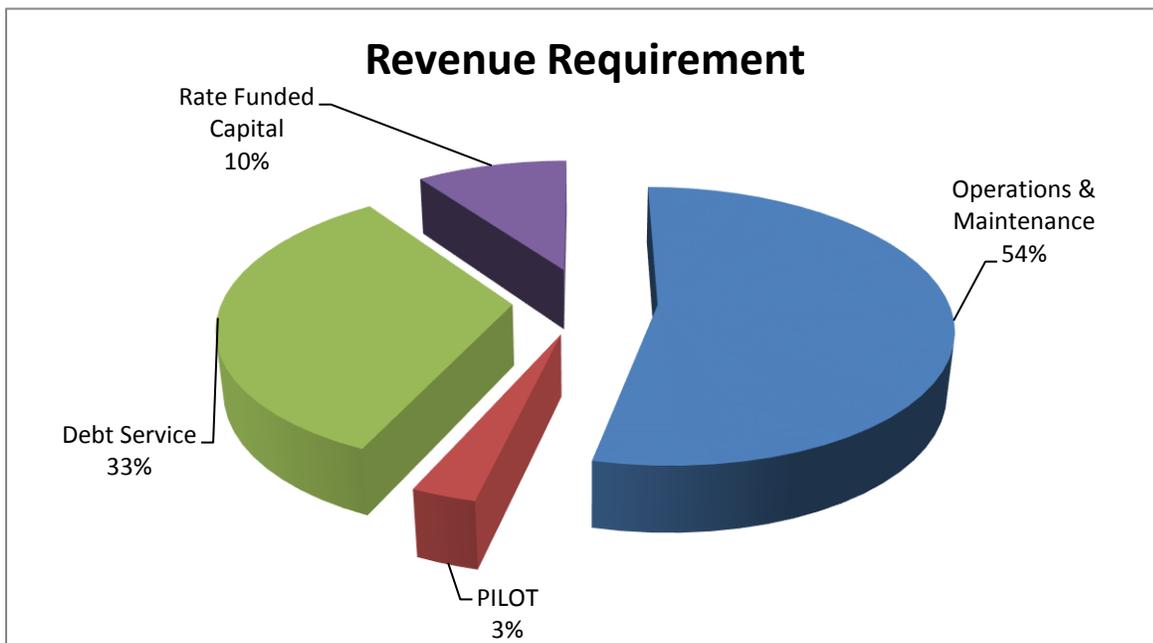
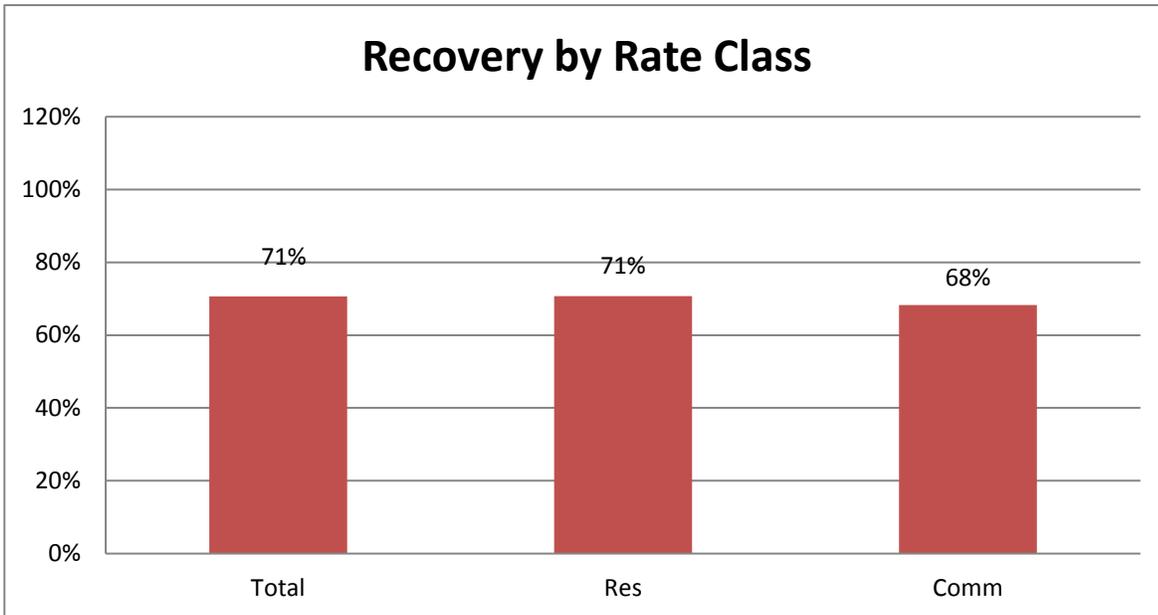
2019 Sewer Cost of Service Study
12 Months Ending 1/31/2019
City of Spring Hill

Summary

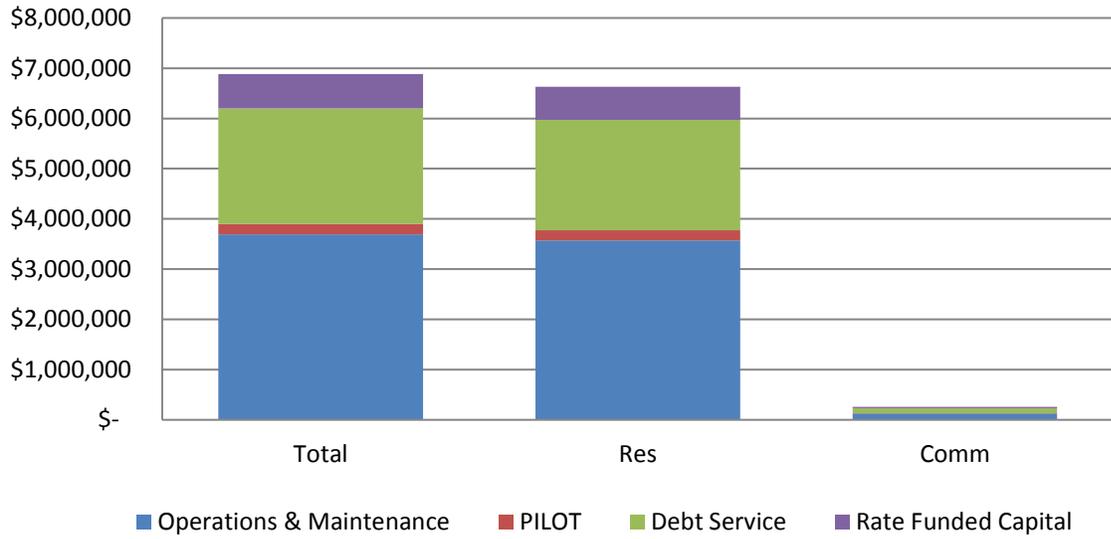
City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Summary of Cost of Service Allocation
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	Total	1 Retail Res	2 Retail Comm	Total
TOTAL REV. REQ.				
Operations & Maintenance	\$ 3,694,272	\$ 3,571,445	\$ 122,828	\$ 3,694,272
Plus: PILOT	\$ 207,981	\$ 200,449	\$ 7,533	\$ 207,981
Plus: Debt Service*	\$ 2,298,952	\$ 2,196,858	\$ 102,094	\$ 2,298,952
Plus: Rate Funded Capital**	\$ 682,000	\$ 658,982	\$ 23,018	\$ 682,000
Total Revenue Requirement	<u>\$ 6,883,206</u>	<u>\$ 6,627,733</u>	<u>\$ 255,473</u>	<u>\$ 6,883,206</u>
Less: Other Revenue	\$ 255,539	\$ 251,112	\$ 4,427	\$ 255,539
Rate Requirement	<u>\$ 6,627,667</u>	<u>\$ 6,376,622</u>	<u>\$ 251,045</u>	<u>\$ 6,627,667</u>
Annual Sales (Kgal)	877,774	841,837	35,937	877,774
Rate Rev. Req./Kgal	\$ 7.55	\$ 7.57	\$ 6.99	\$ 7.55
Rate Rev. Req./Customer	\$ 38.88	\$ 37.78	\$ 149.34	\$ 38.88
CUSTOMER				
	Total	Res	Comm	Total
Operations & Maintenance	\$ 1,149,443	\$ 1,138,107	\$ 11,335	\$ 1,149,443
Plus: PILOT	\$ 41,271	\$ 40,864	\$ 407	\$ 41,271
Plus: Debt Service	\$ 2,298,952	\$ 2,196,858	\$ 102,094	\$ 2,298,952
Plus: Rate Funded Capital	\$ 176,089	\$ 174,353	\$ 1,737	\$ 176,089
Total Revenue Requirement	<u>\$ 3,665,756</u>	<u>\$ 3,550,183</u>	<u>\$ 115,573</u>	<u>\$ 3,665,756</u>
Less: Other Revenue	\$ 255,539	\$ 251,112	\$ 4,427	\$ 255,539
Rate Requirement	<u>\$ 3,410,217</u>	<u>\$ 3,299,071</u>	<u>\$ 111,146</u>	<u>\$ 3,410,217</u>
Annual Billings	170,457	168,776	1,681	170,457
Calculated Customer Charge		\$ 19.55	\$ 66.12	
CONSUMPTION				
	Total	Res	Comm	Total
Operations & Maintenance	\$ 2,544,830	\$ 2,433,338	\$ 111,492	\$ 2,544,830
Plus: PILOT	\$ 166,710	\$ 159,584	\$ 7,126	\$ 166,710
Plus: Debt Service	\$ -	\$ -	\$ -	\$ -
Plus: Rate Funded Capital	\$ 505,911	\$ 484,629	\$ 21,282	\$ 505,911
Total Revenue Requirement	<u>\$ 3,217,450</u>	<u>\$ 3,077,551</u>	<u>\$ 139,899</u>	<u>\$ 3,217,450</u>
Less: Other Revenue	\$ -	\$ -	\$ -	\$ -
Rate Requirement	<u>\$ 3,217,450</u>	<u>\$ 3,077,551</u>	<u>\$ 139,899</u>	<u>\$ 3,217,450</u>
Calculated Sewer Rate (Kgal)				
	Total	Res	Comm	
Current Rate Revenue	\$ 4,604,515	\$ 4,434,521	\$ 169,993	\$ 4,604,515
Over/(Under) Recovery	\$ (2,023,152)	\$ (1,942,100)	\$ (81,052)	\$ (2,023,152)
Total Revenue	\$ 4,860,053	\$ 4,685,633	\$ 174,420	\$ 4,860,053
Over/(Under) Recovery	\$ (2,023,152)	\$ (1,942,100)	\$ (81,052)	\$ (2,023,152)

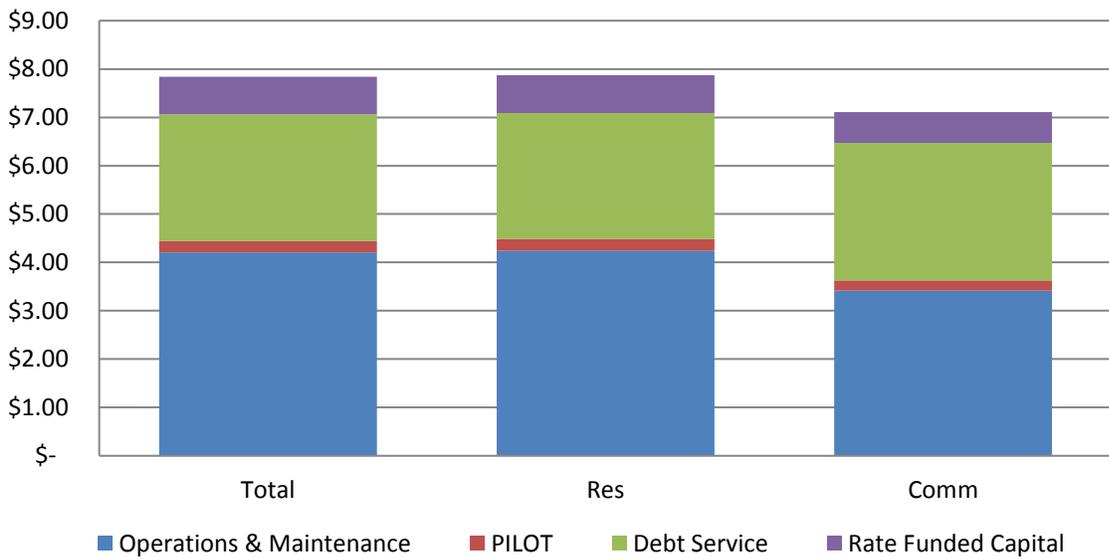
City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Summary of Results
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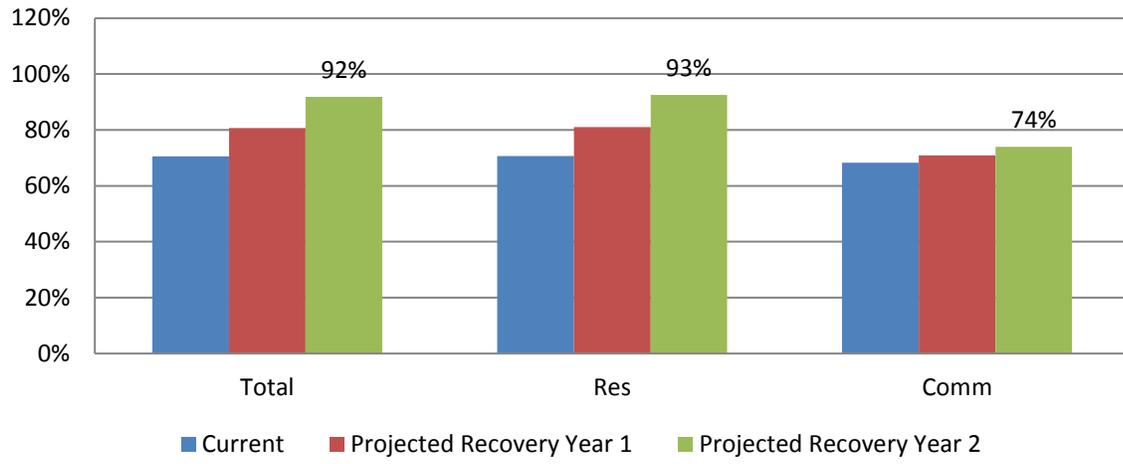
Rev. Req. by Rate Class



Rev. Req./Kgal



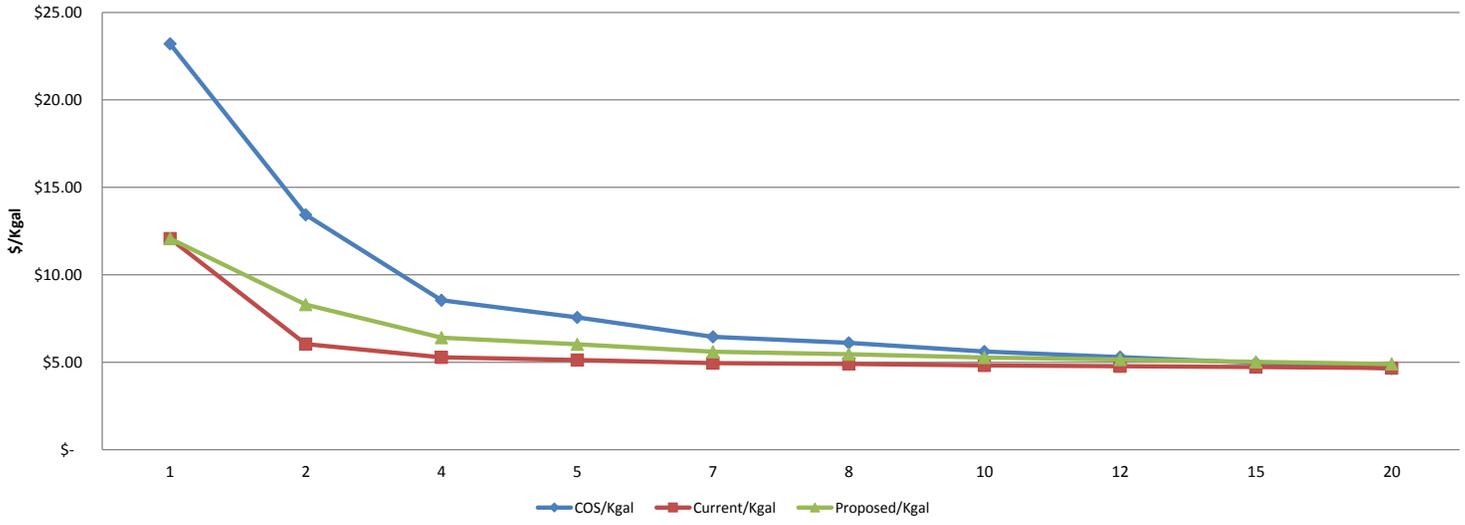
Projected Recovery by Rate Class



City of Spring Hill
 Sewer Cost of Service-12-Months Ending January 2019
 Res
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	Cost of Service	Current	Proposed	Difference
Customer Charge (incl 2,000 gals)	\$ 19.55	\$ 12.07	\$ 12.07	\$ - (includes 1,000 gals)
All Additional	\$ 3.66	\$ 4.52	\$ 4.52	\$ -

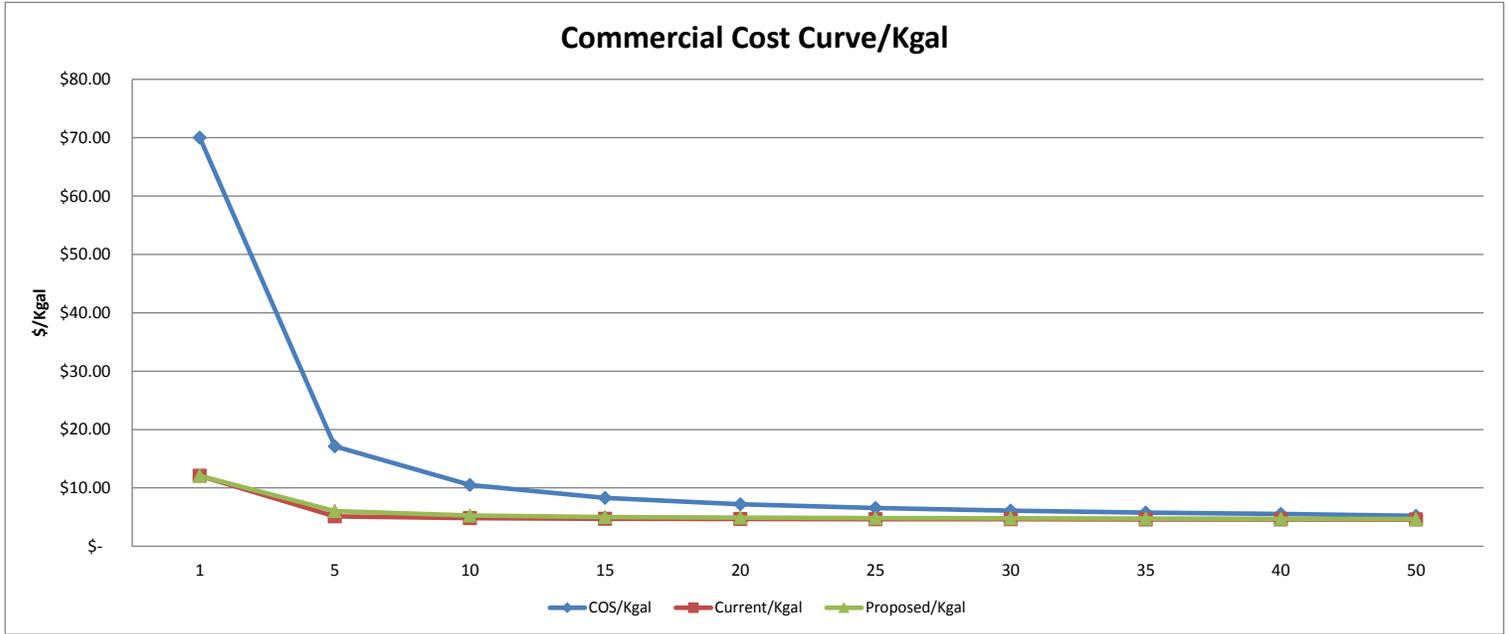
Res-Inside Cost Curve/Kgal



Usage (Kgal)	COS Rates	Current Rates	Proposed Rates	Monthly Change	Daily Change	COS Rate/kGal	Current Rate/kGal	Proposed Rate/kGal	Change/kGal
1	\$ 23.21	\$ 12.07	\$ 12.07	\$ -	\$ -	\$ 23.21	\$ 12.07	\$ 12.07	\$ -
2	\$ 26.87	\$ 12.07	\$ 16.59	\$ 4.52	\$ 0.15	\$ 13.43	\$ 6.04	\$ 8.30	\$ 2.26
4	\$ 34.19	\$ 21.11	\$ 25.63	\$ 4.52	\$ 0.15	\$ 8.55	\$ 5.28	\$ 6.41	\$ 1.13
5	\$ 37.85	\$ 25.63	\$ 30.15	\$ 4.52	\$ 0.15	\$ 7.57	\$ 5.13	\$ 6.03	\$ 0.90
7	\$ 45.17	\$ 34.67	\$ 39.19	\$ 4.52	\$ 0.15	\$ 6.45	\$ 4.95	\$ 5.60	\$ 0.65
8	\$ 48.83	\$ 39.19	\$ 43.71	\$ 4.52	\$ 0.15	\$ 6.10	\$ 4.90	\$ 5.46	\$ 0.57
10	\$ 56.15	\$ 48.23	\$ 52.75	\$ 4.52	\$ 0.15	\$ 5.61	\$ 4.82	\$ 5.28	\$ 0.45
12	\$ 63.47	\$ 57.27	\$ 61.79	\$ 4.52	\$ 0.15	\$ 5.29	\$ 4.77	\$ 5.15	\$ 0.38
15	\$ 74.45	\$ 70.83	\$ 75.35	\$ 4.52	\$ 0.15	\$ 4.96	\$ 4.72	\$ 5.02	\$ 0.30
20	\$ 92.75	\$ 93.43	\$ 97.95	\$ 4.52	\$ 0.15	\$ 4.64	\$ 4.67	\$ 4.90	\$ 0.23
Average Usage		4,988							

City of Spring Hill
 Sewer Cost of Service-12-Months Ending January 2019
 Comm
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	Cost of Service	Current	Proposed	Difference
Customer Charge (incl 2,000 gals)	\$ 66.12	\$ 12.07	\$ 12.07	\$ - (includes 1,000 gals)
All Additional	\$ 3.89	\$ 4.52	\$ 4.52	\$ -



Usage (Kgal)	COS Rates	Current Rates	Proposed Rates	Monthly Change	Daily Change	COS Rate/kGal	Current Rate/kGal	Proposed Rate/kGal	Change /Kgal			
1	\$ 70.01	\$ 12.07	\$ 12.07	\$ -	\$ -	\$ 70.01	\$ 12.07	\$ 12.07	\$ -			
5	\$ 85.57	\$ 25.63	\$ 30.15	\$ 4.52	\$ 0.15	\$ 17.11	\$ 5.13	\$ 6.03	\$ 0.90			
10	\$ 105.02	\$ 48.23	\$ 52.75	\$ 4.52	\$ 0.15	\$ 10.50	\$ 4.82	\$ 5.28	\$ 0.45			
15	\$ 124.47	\$ 70.83	\$ 75.35	\$ 4.52	\$ 0.15	\$ 8.30	\$ 4.72	\$ 5.02	\$ 0.30			
20	\$ 143.92	\$ 93.43	\$ 97.95	\$ 4.52	\$ 0.15	\$ 7.20	\$ 4.67	\$ 4.90	\$ 0.23			
25	\$ 163.37	\$ 116.03	\$ 120.55	\$ 4.52	\$ 0.15	\$ 6.53	\$ 4.64	\$ 4.82	\$ 0.18			
30	\$ 182.82	\$ 138.63	\$ 143.15	\$ 4.52	\$ 0.15	\$ 6.09	\$ 4.62	\$ 4.77	\$ 0.15			
35	\$ 202.27	\$ 161.23	\$ 165.75	\$ 4.52	\$ 0.15	\$ 5.78	\$ 4.61	\$ 4.74	\$ 0.13			
40	\$ 221.72	\$ 183.83	\$ 188.35	\$ 4.52	\$ 0.15	\$ 5.54	\$ 4.60	\$ 4.71	\$ 0.11			
50	\$ 260.62	\$ 229.03	\$ 233.55	\$ 4.52	\$ 0.15	\$ 5.21	\$ 4.58	\$ 4.67	\$ 0.09			
Average Usage		21,378										

Billing Data

**City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Customer Billing Data**

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	1 51 Res	2 53 Comm	Total
Customer Billings			
Jan-19	14,394	211	14,605
Feb-18	13,648	113	13,761
Mar-18	13,636	113	13,749
Apr-18	13,738	114	13,852
May-18	13,877	112	13,989
Jun-18	14,027	116	14,143
Jul-18	14,108	131	14,239
Aug-18	14,155	130	14,285
Sep-18	14,222	136	14,358
Oct-18	14,286	136	14,422
Nov-18	14,326	160	14,486
Dec-18	14,359	209	14,568
Total Customers	168,776	1,681	170,457
Weighting Factor	2.00	1.00	
Weighted Customers	337,552	1,681	339,233

AF

21	Total Customers	99%	1%	100%
25	Weighted Customers	100%	0%	100%

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Sewer Billing Data

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		1	2	
		51	53	
Sewer Billings		Res	Comm	Total
	Jan-19	62,760,045	3,328,969	66,089,014
	Feb-18	63,433,840	2,337,820	65,771,660
	Mar-18	49,053,697	1,971,416	51,025,113
	Apr-18	56,416,629	2,268,938	58,685,567
	May-18	66,476,779	2,468,009	68,944,788
	Jun-18	90,419,290	3,568,703	93,987,993
	Jul-18	72,015,078	3,061,789	75,076,867
	Aug-18	101,816,749	4,360,932	106,177,681
	Sep-18	84,785,078	3,520,618	88,305,696
	Oct-18	66,425,605	2,908,392	69,333,997
	Nov-18	70,340,346	3,233,287	73,573,633
	Dec-18	57,893,600	2,908,319	60,801,919
Total Sewer Sales		841,836,736	35,937,192	877,773,928
1-CP		101,816,749	4,360,932	106,177,681
12-NCP		101,816,749	4,360,932	106,177,681

AF

30	Total Sewer Sales	96%	4%	100%
33	1-CP	96%	4%	100%
34	12-NCP	96%	4%	100%

**City of Spring Hill
 Sewer Cost of Service-12-Months Ending January
 Average Usage per Customer**

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	1	2
	Res	Comm
Jan-19	4,360	15,777
Feb-18	4,648	20,689
Mar-18	3,597	17,446
Apr-18	4,107	19,903
May-18	4,790	22,036
Jun-18	6,446	30,765
Jul-18	5,105	23,372
Aug-18	7,193	33,546
Sep-18	5,962	25,887
Oct-18	4,650	21,385
Nov-18	4,910	20,208
Dec-18	4,032	13,915
Average	4,988	21,378
Summer Average (Jun-Oct)	5,871	26,991
Winter Average	4,349	18,568

City of Spring Hill
Sewer Cost of Service-12-Mont
Revenue per Kgal

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	1	2
	Res	Comm
Jan-19	\$ 5.38	\$ 4.90
Feb-18	\$ 5.32	\$ 4.77
Mar-18	\$ 5.64	\$ 4.83
Apr-18	\$ 5.45	\$ 4.78
May-18	\$ 5.30	\$ 4.75
Jun-18	\$ 5.07	\$ 4.67
Jul-18	\$ 5.26	\$ 4.72
Aug-18	\$ 5.01	\$ 4.65
Sep-18	\$ 5.12	\$ 4.71
Oct-18	\$ 5.33	\$ 4.76
Nov-18	\$ 5.26	\$ 4.79
Dec-18	\$ 5.47	\$ 4.51
Average	\$ 5.27	\$ 4.73

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Other Revenues

[Main Menu](#)

	<u>Actual</u>	<u>Adj.</u>	<u>Test Yr.</u>		<u>Res</u>	<u>Comm</u>	<u>Total</u>
Operating Income							
Energy Grant	\$ 10,564	\$ (10,564)	\$ -	21	\$ -	\$ -	\$ -
State Reimb - Cleburne Rd	\$ 40,095	\$ (40,095)	\$ -	21	\$ -	\$ -	\$ -
State Reimb - Project Shotgun	\$ 60,963	\$ (60,963)	\$ -	21	\$ -	\$ -	\$ -
Grants - Other	\$ 3,555	\$ (3,555)	\$ -	21	\$ -	\$ -	\$ -
CC Processing Fee	\$ 116,532	\$ (60,593)	\$ 55,940	21	\$ 55,388	\$ 552	\$ 55,940
Reconnection Fees	\$ 26,700	\$ (13,883)	\$ 12,817	25	\$ 12,753	\$ 64	\$ 12,817
Sales of Materials	\$ 169,114	\$ (87,933)	\$ 81,181	21	\$ 80,380	\$ 801	\$ 81,181
Forfeited Discounts And Penalties	\$ 40,424	\$ (21,019)	\$ 19,405	25	\$ 19,309	\$ 96	\$ 19,405
Sewer Tap Fees	\$1,484,050	\$ (1,484,050)	\$ -	21	\$ -	\$ -	\$ -
Sewer Development Fees	\$2,136,088	\$ (2,136,088)	\$ -	21	\$ -	\$ -	\$ -
Miscellaneous	\$ 11,970	\$ (6,224)	\$ 5,746	21	\$ 5,689	\$ 57	\$ 5,746
State Reimbursements Lab Tests	\$ 4,125		\$ 4,125	21	\$ 4,084	\$ 41	\$ 4,125
Donated Sewer Lines	\$1,313,468	\$ (1,313,468)	\$ -	21	\$ -	\$ -	\$ -
Subtotal Operating	<u>\$5,417,649</u>	<u>\$(5,238,436)</u>	<u>\$179,213</u>		<u>\$177,604</u>	<u>\$1,609</u>	<u>\$179,213</u>
Non-Operating Income							
Interest Earnings	\$ 48,246	\$ (25,086)	\$ 23,160	50	\$ 22,305	\$ 855	\$ 23,160
Misc. Rebates and Refunds	\$ 30,000	\$ (15,599)	\$ 14,401	50	\$ 13,869	\$ 532	\$ 14,401
Interest - Trust Acct	\$ 22,407	\$ (11,651)	\$ 10,756	50	\$ 10,359	\$ 397	\$ 10,756
Interest - SDF Trust Acct	\$ 28,008		\$ 28,008	50	\$ 26,974	\$1,034	\$ 28,008
Revenues - Cyber Attack	\$ (19,208)	\$ 19,208	\$ -	50	\$ -	\$ -	\$ -
Subtotal Non-Operating	<u>\$ 109,454</u>	<u>\$ (33,128)</u>	<u>\$ 76,325</u>		<u>\$ 73,508</u>	<u>\$2,818</u>	<u>\$ 76,325</u>
Total Other Revenue	<u>\$5,527,103</u>	<u>\$(5,271,564)</u>	<u>\$255,539</u>		<u>\$251,112</u>	<u>\$4,427</u>	<u>\$255,539</u>
					98%	2%	100%

Allocation Factors

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019

Allocation Factors

[Main Menu](#)

	1	2	Total		Base	Cust	WWS	RR	Total
	Res	Comm							
CUSTOMER				Load Curve	100%				100%
Res	1	100%	0%	100% *	MSC	66%	34%		100%
Comm	2	0%	100%	100% *	WWS	75%		25%	100%
Total Customers	21	99%	1%	100% *	All	41%	34%	25%	100%
Weighted Customers	25	100%	0%	100% *					
BASE/EXTRA CAPACITY									
Total Sewer Sales	30	96%	4%	100% *					
1-CP	33	96%	4%	100% *					
12-NCP	34	96%	4%	100% *					
STRENGTH									
Strength	40	95%	5%	100% *					
REVENUE									
Total Revenue	50	96%	4%	100% *					
PLANT									
Treat & Dist Plant	60	96%	4%	100% *					
General Plant	61	96%	4%	100% *					
Total Utility Plant	62	96%	4%	100% *					
Net Utility Plant	63	96%	4%	100% *					
Debt Service	64	96%	4%	100% *					

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Development of Strength Allocation

[Main Menu](#)

	Res	Comm	Total
Annual Usage (Gal)	841,836,736	35,937,192	877,773,928
Annual Usage (ML)	3,187	136	3,323
BOD Loading (mg/l)	190.87	190.87	
TSS Loading (mg/l)	280.78	280.78	
Weighted BOD	50%	68%	
Weighted TSS	50%	68%	
Weighted BOD	95	130	
Weighted TSS	140	191	
Strength Requirements (MGD)	751,503	43,630	795,133

AF

40 Strength	95%	5%	100%
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Percent Asset Sized for Strength Consideration	25%
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Plant

City of Spring Hill
 Sewer Cost of Service-12-Months Ending January 2019
 Classification of Plant

[Main Menu](#)

	Actual	Adj.	Test Yr.	Vol	Cust	WWS	Total	Description	Vol	Cust	WWS	Total
Treatment												
Land	\$ 46,798		\$ 46,798	100%	0%	0%	100%	*	\$ 46,798	\$ -	\$ -	\$ 46,798
Treatment Plant	\$ 7,344,358		\$ 7,344,358	75%	0%	25%	100%	As Vol & WWS	\$ 5,508,268	\$ -	\$ 1,836,089	\$ 7,344,358
Treatment Plant Expansion	\$ 15,879,431		\$ 15,879,431	75%	0%	25%	100%	As Vol & WWS	\$ 11,909,574	\$ -	\$ 3,969,858	\$ 15,879,431
Lab	\$ 52,400		\$ 52,400	100%	0%	0%	100%	*	\$ 52,400	\$ -	\$ -	\$ 52,400
Subtotal Treatment	\$ 23,322,987		\$ 23,322,987						\$ 17,517,039	\$ -	\$ 5,805,947	\$ 23,322,987
				75%	0%	25%	100%					
Collection												
Land Easements	\$ 216,901		\$ 216,901	66%	34%	0%	100%	As Vol & MSC	\$ 143,155	\$ 73,746	\$ -	\$ 216,901
Sewer Lines & Other Collection	\$ 25,450,020		\$ 25,450,020	66%	34%	0%	100%	As Vol & MSC	\$ 16,797,013	\$ 8,653,007	\$ -	\$ 25,450,020
Donated Lines	\$ 7,026,604		\$ 7,026,604	66%	34%	0%	100%	As Vol & MSC	\$ 4,637,559	\$ 2,389,045	\$ -	\$ 7,026,604
Subtotal Collection	\$ 32,693,525	\$ -	\$ 32,693,525						\$ 21,577,726	\$ 11,115,798	\$ -	\$ 32,693,525
				66%	34%	0%	100%					
Subtotal Outside Plant	\$ 56,016,512	\$ -	\$ 56,016,512						\$ 39,094,766	\$ 11,115,798	\$ 5,805,947	\$ 56,016,512
				70%	20%	10%	100%					
General Plant												
Equipment	\$ 1,327,981		\$ 1,327,981	70%	20%	10%	100%	As Outside Plt	\$ 926,818	\$ 263,522	\$ 137,641	\$ 1,327,981
Buildings	\$ 25,115		\$ 25,115	70%	20%	10%	100%	As Outside Plt	\$ 17,528	\$ 4,984	\$ 2,603	\$ 25,115
Subtotal General Plant	\$ 1,353,096	\$ -	\$ 1,353,096						\$ 944,346	\$ 268,506	\$ 140,244	\$ 1,353,096
				70%	20%	10%	100%					
Total Utility Plant in Service	\$ 57,369,608	\$ -	\$ 57,369,608						\$ 40,039,112	\$ 11,384,304	\$ 5,946,192	\$ 57,369,608
				70%	20%	10%	100%					
Constr. Work in Progress	\$ 90,005		\$ 90,005	75%	0%	25%	100%	As Vol & WWS	\$ 67,504	\$ -	\$ 22,501	\$ 90,005
Total Utility Plant	\$ 57,459,613	\$ -	\$ 57,459,613						\$ 40,106,616	\$ 11,384,304	\$ 5,968,693	\$ 57,459,613
				70%	20%	10%	100%					
Accum. Depr.	\$ 12,156,766		\$ 12,156,766	70%	20%	10%	100%	As TUPIS	\$ 8,484,390	\$ 2,412,363	\$ 1,260,013	\$ 12,156,766
Accumulated Depreciation	\$ 12,156,766	\$ -	\$ 12,156,766						\$ 8,484,390	\$ 2,412,363	\$ 1,260,013	\$ 12,156,766
				70%	20%	10%	100%					
Net Utility Plant	\$ 45,302,847	\$ -	\$ 45,302,847						\$ 31,622,226	\$ 8,971,941	\$ 4,708,680	\$ 45,302,847
				70%	20%	10%	100%					

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Volume Plant
[Main Menu](#)

	<u>Test Yr.</u>		Res	Comm	Total
Treatment					
Land	\$ 46,798	30	\$ 44,882	\$ 1,916	\$ 46,798
Treatment Plant	\$ 5,508,268	30	\$ 5,282,753	\$ 225,516	\$ 5,508,268
Treatment Plant Expansion	\$ 11,909,574	30	\$ 11,421,980	\$ 487,593	\$ 11,909,574
Lab	\$ 52,400	30	\$ 50,255	\$ 2,145	\$ 52,400
Subtotal Treatment	<u>\$ 17,517,039</u>		<u>\$ 16,799,869</u>	<u>\$ 717,170</u>	<u>\$ 17,517,039</u>
Collection					
Land Easements	\$ 143,155	30	\$ 137,294	\$ 5,861	\$ 143,155
Sewer Lines & Other Collection	\$ 16,797,013	30	\$ 16,109,322	\$ 687,691	\$ 16,797,013
Donated Lines	\$ 4,637,559	30	\$ 4,447,691	\$ 189,868	\$ 4,637,559
Subtotal Collection	<u>\$ 21,577,726</u>		<u>\$ 20,694,307</u>	<u>\$ 883,420</u>	<u>\$ 21,577,726</u>
			96%	4%	100%
Subtotal Outside Plant	<u>\$ 39,094,766</u>		<u>\$ 37,494,176</u>	<u>\$ 1,600,590</u>	<u>\$ 39,094,766</u>
General Plant					
Equipment	\$ 926,818	30	\$ 888,873	\$ 37,945	\$ 926,818
Buildings	\$ 17,528	30	\$ 16,811	\$ 718	\$ 17,528
Subtotal General Plant	<u>\$ 944,346</u>		<u>\$ 905,683</u>	<u>\$ 38,663</u>	<u>\$ 944,346</u>
Total Utility Plant in Service	<u>\$ 40,039,112</u>		<u>\$ 38,399,859</u>	<u>\$ 1,639,253</u>	<u>\$ 40,039,112</u>
Constr. Work in Progress	<u>\$ 67,504</u>	30	<u>\$ 64,740</u>	<u>\$ 2,764</u>	<u>\$ 67,504</u>
Total Utility Plant	<u>\$ 40,106,616</u>		<u>\$ 38,464,600</u>	<u>\$ 1,642,016</u>	<u>\$ 40,106,616</u>
Accum. Depr.	\$ 8,484,390	30	\$ 8,137,028	\$ 347,362	\$ 8,484,390
Accumulated Depreciation	<u>\$ 8,484,390</u>		<u>\$ 8,137,028</u>	<u>\$ 347,362</u>	<u>\$ 8,484,390</u>
Net Utility Plant	<u>\$ 31,622,226</u>		<u>\$ 30,327,571</u>	<u>\$ 1,294,655</u>	<u>\$ 31,622,226</u>
			96%	4%	100%

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Customer Plant
[Main Menu](#)

	Test Yr.		Res	Comm	Total
Treatment					
Land	\$ -	21	\$ -	\$ -	\$ -
Treatment Plant	\$ -	21	\$ -	\$ -	\$ -
Treatment Plant Expansion	\$ -	21	\$ -	\$ -	\$ -
Lab	\$ -	21	\$ -	\$ -	\$ -
Subtotal Treatment	\$ -		\$ -	\$ -	\$ -
Collection					
Land Easements	\$ 73,746	21	\$ 73,019	\$ 727	\$ 73,746
Sewer Lines & Other Collection	\$ 8,653,007	21	\$ 8,567,673	\$ 85,334	\$ 8,653,007
Donated Lines	\$ 2,389,045	21	\$ 2,365,485	\$ 23,560	\$ 2,389,045
Subtotal Collection	\$ 11,115,798		\$ 11,006,178	\$ 109,621	\$ 11,115,798
Subtotal Outside Plant	\$ 11,115,798		\$ 11,006,178	\$ 109,621	\$ 11,115,798
General Plant					
Equipment	\$ 263,522	21	\$ 260,923	\$ 2,599	\$ 263,522
Buildings	\$ 4,984	21	\$ 4,935	\$ 49	\$ 4,984
Subtotal General Plant	\$ 268,506		\$ 265,858	\$ 2,648	\$ 268,506
Total Utility Plant in Service	\$ 11,384,304		\$ 11,272,035	\$ 112,269	\$ 11,384,304
Constr. Work in Progress	\$ -	21	\$ -	\$ -	\$ -
Total Utility Plant	\$ 11,384,304		\$ 11,272,035	\$ 112,269	\$ 11,384,304
Accum. Depr.	\$ 2,412,363	21	\$ 2,388,573	\$ 23,790	\$ 2,412,363
Accumulated Depreciation	\$ 2,412,363		\$ 2,388,573	\$ 23,790	\$ 2,412,363
Net Utility Plant	\$ 8,971,941		\$ 8,883,462	\$ 88,479	\$ 8,971,941
			99%	1%	100%

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Strength Plant
[Main Menu](#)

	Test Yr.		Res	Comm	Total
Treatment					
Land	\$ -	40	\$ -	\$ -	\$ -
Treatment Plant	\$ 1,836,089	40	\$ 1,735,341	\$ 100,749	\$ 1,836,089
Treatment Plant Expansion	\$ 3,969,858	40	\$ 3,752,026	\$ 217,832	\$ 3,969,858
Lab	\$ -	40	\$ -	\$ -	\$ -
Subtotal Treatment	<u>\$ 5,805,947</u>		<u>\$ 5,487,367</u>	<u>\$ 318,580</u>	<u>\$ 5,805,947</u>
Collection					
Land Easements	\$ -	40	\$ -	\$ -	\$ -
Sewer Lines & Other Collection	\$ -	40	\$ -	\$ -	\$ -
Donated Lines	\$ -	40	\$ -	\$ -	\$ -
Subtotal Collection	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Subtotal Outside Plant	<u>\$ 5,805,947</u>		<u>\$ 5,487,367</u>	<u>\$ 318,580</u>	<u>\$ 5,805,947</u>
General Plant					
Equipment	\$ 137,641	40	\$ 130,089	\$ 7,553	\$ 137,641
Buildings	\$ 2,603	40	\$ 2,460	\$ 143	\$ 2,603
Subtotal General Plant	<u>\$ 140,244</u>		<u>\$ 132,549</u>	<u>\$ 7,695</u>	<u>\$ 140,244</u>
Total Utility Plant in Service	<u>\$ 5,946,192</u>		<u>\$ 5,619,916</u>	<u>\$ 326,276</u>	<u>\$ 5,946,192</u>
Constr. Work in Progress	\$ 22,501	40	\$ 21,267	\$ 1,235	\$ 22,501
Total Utility Plant	<u>\$ 5,968,693</u>		<u>\$ 5,641,182</u>	<u>\$ 327,511</u>	<u>\$ 5,968,693</u>
Accum. Depr.	\$ 1,260,013	40	\$ 1,190,875	\$ 69,139	\$ 1,260,013
Accumulated Depreciation	<u>\$ 1,260,013</u>		<u>\$ 1,190,875</u>	<u>\$ 69,139</u>	<u>\$ 1,260,013</u>
Net Utility Plant	<u>\$ 4,708,680</u>		<u>\$ 4,450,308</u>	<u>\$ 258,372</u>	<u>\$ 4,708,680</u>
			95%	5%	100%

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Plant
[Main Menu](#)

	Test Yr.	Res	Comm	Total
Treatment				
Land	\$ 46,798	\$ 44,882	\$ 1,916	\$ 46,798
Treatment Plant	\$ 7,344,358	\$ 7,018,093	\$ 326,264	\$ 7,344,358
Treatment Plant Expansion	\$ 15,879,431	\$ 15,174,007	\$ 705,425	\$ 15,879,431
Lab	\$ 52,400	\$ 50,255	\$ 2,145	\$ 52,400
Subtotal Treatment	<u>\$ 23,322,987</u>	<u>\$ 22,287,236</u>	<u>\$ 1,035,751</u>	<u>\$ 23,322,987</u>
Collection				
Land Easements	\$ 216,901	\$ 210,313	\$ 6,588	\$ 216,901
Sewer Lines & Other Collection	\$ 25,450,020	\$ 24,676,995	\$ 773,025	\$ 25,450,020
Donated Lines	\$ 7,026,604	\$ 6,813,176	\$ 213,428	\$ 7,026,604
Subtotal Collection	<u>\$ 32,693,525</u>	<u>\$ 31,700,484</u>	<u>\$ 993,041</u>	<u>\$ 32,693,525</u>
		97%	3%	100%
Subtotal Outside Plant	<u>\$ 56,016,512</u>	<u>\$ 53,987,720</u>	<u>\$ 2,028,791</u>	<u>\$ 56,016,512</u>
		96%	4%	100%
General Plant				
Equipment	\$ 1,327,981	\$ 1,279,885	\$ 48,096	\$ 1,327,981
Buildings	\$ 25,115	\$ 24,206	\$ 910	\$ 25,115
Subtotal General Plant	<u>\$ 1,353,096</u>	<u>\$ 1,304,090</u>	<u>\$ 49,006</u>	<u>\$ 1,353,096</u>
		96%	4%	100%
Total Utility Plant in Service	<u>\$ 57,369,608</u>	<u>\$ 55,291,810</u>	<u>\$ 2,077,797</u>	<u>\$ 57,369,608</u>
Constr. Work in Progress	<u>\$ 90,005</u>	<u>\$ 86,007</u>	<u>\$ 3,998</u>	<u>\$ 90,005</u>
Total Utility Plant	<u>\$ 57,459,613</u>	<u>\$ 55,377,817</u>	<u>\$ 2,081,796</u>	<u>\$ 57,459,613</u>
		96%	4%	100%
Accum. Depr.	\$ 12,156,766	\$ 11,716,476	\$ 440,291	\$ 12,156,766
Accumulated Depreciation	<u>\$ 12,156,766</u>	<u>\$ 11,716,476</u>	<u>\$ 440,291</u>	<u>\$ 12,156,766</u>
		96%	4%	100%
Net Utility Plant	<u>\$ 45,302,847</u>	<u>\$ 43,661,341</u>	<u>\$ 1,641,505</u>	<u>\$ 45,302,847</u>
		96%	4%	100%

Operating Expenses

City of Spring Hill
 Sewer Cost of Service-12-Months Ending January 2019
 Classification of Operating Expenses

[Main Menu](#)

	<u>Actual</u>	<u>Adj.</u>	<u>Test Yr.</u>	<u>Vol</u>	<u>Cust</u>	<u>WWS</u>	<u>Total</u>	<u>Description</u>	<u>Vol</u>	<u>Cust</u>	<u>WWS</u>	<u>Total</u>
Sewer Collection												
Salaries	\$ 203,264		\$ 203,264	66%	34%	0%	100%	As Coll Plt	* \$ 134,154	\$ 69,110	\$ -	\$ 203,264
Salaries - Overtime	\$ 3,119		\$ 3,119	66%	34%	0%	100%	As Coll Plt	* \$ 2,059	\$ 1,061	\$ -	\$ 3,119
Christmas Bonus	\$ 1,350		\$ 1,350	66%	34%	0%	100%	As Coll Plt	* \$ 891	\$ 459	\$ -	\$ 1,350
OASI (Employer's Share)	\$ 15,427		\$ 15,427	66%	34%	0%	100%	As Coll Plt	* \$ 10,182	\$ 5,245	\$ -	\$ 15,427
Hospital and Health Insurance	\$ 62,860		\$ 62,860	66%	34%	0%	100%	As Coll Plt	* \$ 41,488	\$ 21,373	\$ -	\$ 62,860
Employee Retirement Plan	\$ 13,835		\$ 13,835	66%	34%	0%	100%	As Coll Plt	* \$ 9,131	\$ 4,704	\$ -	\$ 13,835
Unemployment Insurance	\$ 106		\$ 106	66%	34%	0%	100%	As Coll Plt	* \$ 70	\$ 36	\$ -	\$ 106
Contractual Services	\$ 125,000		\$ 125,000	66%	34%	0%	100%	As Coll Plt	* \$ 82,500	\$ 42,500	\$ -	\$ 125,000
Memberships, Registration Fees	\$ 6,275		\$ 6,275	0%	100%	0%	100%		* \$ -	\$ 6,275	\$ -	\$ 6,275
Electric	\$ 55,246		\$ 55,246	66%	34%	0%	100%	As Coll Plt	* \$ 36,462	\$ 18,784	\$ -	\$ 55,246
Cell Phones	\$ 4,684		\$ 4,684	0%	100%	0%	100%		* \$ -	\$ 4,684	\$ -	\$ 4,684
Architectural, Engineering	\$ 15,586		\$ 15,586	66%	34%	0%	100%	As Coll Plt	* \$ 10,287	\$ 5,299	\$ -	\$ 15,586
Repair and Maintenance Motor Vehicles	\$ 2,725		\$ 2,725	66%	34%	0%	100%	As Coll Plt	* \$ 1,799	\$ 927	\$ -	\$ 2,725
Repair and Maintenance Other Machinery	\$ 3,465		\$ 3,465	66%	34%	0%	100%	As Coll Plt	* \$ 2,287	\$ 1,178	\$ -	\$ 3,465
Repair and Maintenance Other Repairs	\$ 7,942		\$ 7,942	66%	34%	0%	100%	As Coll Plt	* \$ 5,242	\$ 2,700	\$ -	\$ 7,942
Other Services & Charges	\$ 3,000		\$ 3,000	66%	34%	0%	100%	As Coll Plt	* \$ 1,980	\$ 1,020	\$ -	\$ 3,000
Ambulance, Clinic, and Hospital	\$ 52		\$ 52	0%	100%	0%	100%		* \$ -	\$ 52	\$ -	\$ 52
Operating Supplies	\$ 56,221		\$ 56,221	66%	34%	0%	100%	As Coll Plt	* \$ 37,106	\$ 19,115	\$ -	\$ 56,221
Chem, Lab, & Med/Safety	\$ 42,042		\$ 42,042	66%	34%	0%	100%	As Coll Plt	* \$ 27,748	\$ 14,294	\$ -	\$ 42,042
Clothing and Uniforms	\$ 2,595		\$ 2,595	0%	100%	0%	100%		* \$ -	\$ 2,595	\$ -	\$ 2,595
Gas, Oil, Diesel Fuel, Grease, Etc.	\$ 11,647		\$ 11,647	66%	34%	0%	100%	As Coll Plt	* \$ 7,687	\$ 3,960	\$ -	\$ 11,647
TML Insurance	\$ 5,853		\$ 5,853	0%	100%	0%	100%		* \$ -	\$ 5,853	\$ -	\$ 5,853
Workers Comp Deductible	\$ 98		\$ 98	66%	34%	0%	100%	As Coll Plt	* \$ 65	\$ 33	\$ -	\$ 98
Other Grants, Contributions, & Idemnities	\$ 15,568		\$ 15,568	66%	34%	0%	100%	As Coll Plt	* \$ 10,275	\$ 5,293	\$ -	\$ 15,568
Subtotal Sewer Collection	\$ 657,960	\$ -	\$ 657,960						\$ 421,410	\$ 236,550	\$ -	\$ 657,960
				64%	36%	0%	100%					

Sewer Treatment												
Salaries	\$ 399,435		\$ 399,435	75%	0%	25%	100%	As Treat Plt	* \$ 300,001	\$ -	\$ 99,434	\$ 399,435
Salaries Overtime	\$ 6,645		\$ 6,645	75%	0%	25%	100%	As Treat Plt	* \$ 4,991	\$ -	\$ 1,654	\$ 6,645
Insurance Opt Out	\$ 1,800		\$ 1,800	75%	0%	25%	100%	As Treat Plt	* \$ 1,352	\$ -	\$ 448	\$ 1,800
Christmas Bonus	\$ 1,500		\$ 1,500	75%	0%	25%	100%	As Treat Plt	* \$ 1,127	\$ -	\$ 373	\$ 1,500
OASI (Employer's Share)	\$ 30,392		\$ 30,392	75%	0%	25%	100%	As Treat Plt	* \$ 22,826	\$ -	\$ 7,566	\$ 30,392
Hospital and Health Insurance	\$ 111,517		\$ 111,517	75%	0%	25%	100%	As Treat Plt	* \$ 83,756	\$ -	\$ 27,761	\$ 111,517
Employee Retirement Plan	\$ 26,892		\$ 26,892	75%	0%	25%	100%	As Treat Plt	* \$ 20,198	\$ -	\$ 6,694	\$ 26,892
Unemployment Insurance	\$ 264		\$ 264	75%	0%	25%	100%	As Treat Plt	* \$ 198	\$ -	\$ 66	\$ 264
Contractual Services	\$ 2,728		\$ 2,728	75%	0%	25%	100%	As Treat Plt	* \$ 2,049	\$ -	\$ 679	\$ 2,728
Memberships, Registration Fees, and Tuition	\$ 935		\$ 935	0%	100%	0%	100%		* \$ -	\$ 935	\$ -	\$ 935
Electric	\$ 361,262		\$ 361,262	75%	0%	25%	100%	As Treat Plt	* \$ 271,330	\$ -	\$ 89,931	\$ 361,262
Water/Sewer	\$ 1,151		\$ 1,151	75%	0%	25%	100%	As Treat Plt	* \$ 864	\$ -	\$ 286	\$ 1,151
Gas	\$ 1,692		\$ 1,692	75%	0%	25%	100%	As Treat Plt	* \$ 1,271	\$ -	\$ 421	\$ 1,692
Telephone & Other Communications	\$ 707		\$ 707	0%	100%	0%	100%		* \$ -	\$ 707	\$ -	\$ 707
Cell Phones	\$ 219		\$ 219	75%	0%	25%	100%	As Treat Plt	* \$ 164	\$ -	\$ 54	\$ 219
Stormwater Fees	\$ 2,359		\$ 2,359	75%	0%	25%	100%	As Treat Plt	* \$ 1,771	\$ -	\$ 587	\$ 2,359
Architectural, Engineering, and Landscaping Service	\$ 419,180		\$ 419,180	75%	0%	25%	100%	As Treat Plt	* \$ 314,831	\$ -	\$ 104,349	\$ 419,180
Repair and Maintenance Services/City Hall	\$ 214		\$ 214	75%	0%	25%	100%	As Treat Plt	* \$ 160	\$ -	\$ 53	\$ 214
Repair and Maintenance Motor Vehicles	\$ 653		\$ 653	75%	0%	25%	100%	As Treat Plt	* \$ 490	\$ -	\$ 163	\$ 653
Repair and Maintenance Other Machinery	\$ 109,925		\$ 109,925	75%	0%	25%	100%	As Treat Plt	* \$ 82,561	\$ -	\$ 27,364	\$ 109,925

Repair and Maintenance Grounds and Ground	\$ 44	\$ 44	75%	0%	25%	100% As Treat Plt	* \$ 33	\$ -	\$ 11	\$ 44	
Sludge Removal	\$ 283,395	\$ 283,395	75%	0%	25%	100% As Treat Plt	* \$ 212,848	\$ -	\$ 70,548	\$ 283,395	
Travel	\$ 1,201	\$ 1,201	0%	100%	0%	100%	* \$ -	\$ 1,201	\$ -	\$ 1,201	
Ambulance, Clinic, and Hospital Services	\$ 347	\$ 347	0%	100%	0%	100%	* \$ -	\$ 347	\$ -	\$ 347	
Office Supplies and Materials	\$ 1,000	\$ 1,000	0%	100%	0%	100%	* \$ -	\$ 1,000	\$ -	\$ 1,000	
Operating Supplies	\$ 37,771	\$ 37,771	75%	0%	25%	100% As Treat Plt	* \$ 28,369	\$ -	\$ 9,403	\$ 37,771	
Polymer WWTP	\$ 150,252	\$ 150,252	75%	0%	25%	100% As Treat Plt	* \$ 112,849	\$ -	\$ 37,403	\$ 150,252	
Chem, Lab, & Med/Safety	\$ 12,016	\$ 12,016	75%	0%	25%	100% As Treat Plt	* \$ 9,025	\$ -	\$ 2,991	\$ 12,016	
Clothing and Uniforms	\$ 626	\$ 626	0%	100%	0%	100%	* \$ -	\$ 626	\$ -	\$ 626	
Other Op Supplies/Canine/WWTP Lab Analysis	\$ 17,290	\$ 17,290	100%	0%	0%	100%	* \$ 17,290	\$ -	\$ -	\$ 17,290	
Gas, Oil, Diesel Fuel, Grease, Etc.	\$ 3,449	\$ 3,449	75%	0%	25%	100% As Treat Plt	* \$ 2,590	\$ -	\$ 859	\$ 3,449	
Repair & Maintenance Supplies	\$ 67,660	\$ 67,660	75%	0%	25%	100% As Treat Plt	* \$ 50,817	\$ -	\$ 16,843	\$ 67,660	
TML Insurance	\$ 18,400	\$ 18,400	0%	100%	0%	100%	* \$ -	\$ 18,400	\$ -	\$ 18,400	
Machinery & Equipment	\$ 3,678	\$ 3,678	75%	0%	25%	100% As Treat Plt	* \$ 2,763	\$ -	\$ 916	\$ 3,678	
TN State Fees	\$ 16,600	\$ 16,600	0%	100%	0%	100%	* \$ -	\$ 16,600	\$ -	\$ 16,600	
WWTP Expansion Sr - Administrative Fees	\$ 9,752	\$ 9,752	75%	0%	25%	100% As Treat Plt	* \$ 7,324	\$ -	\$ 2,428	\$ 9,752	
Other Grants, Contributions, & Idemnitites	\$ 120	\$ 120	75%	0%	25%	100% As Treat Plt	* \$ 90	\$ -	\$ 30	\$ 120	
Operating Transfer Out MS4	\$ 60,165	\$ 60,165	75%	0%	25%	100% As Treat Plt	* \$ 45,188	\$ -	\$ 14,977	\$ 60,165	
Subtotal Sewer Treatment	\$ 2,163,236	\$ -	\$ 2,163,236				\$ 1,599,126	\$ 39,817	\$ 524,293	\$ 2,163,236	
							74%	2%	24%	100%	
Subtotal Coll & Treat	\$ 2,821,196	\$ -	\$ 2,821,196				\$ 2,020,537	\$ 276,367	\$ 524,293	\$ 2,821,196	
							72%	10%	19%	100%	
Customer Accounting & Collection											
Salaries	\$ 1,007,531	\$ (523,881)	\$ 483,650	0%	100%	0%	100%	* \$ -	\$ 483,650	\$ -	\$ 483,650
Salaries Overtime	\$ 19,292	\$ (10,031)	\$ 9,261	0%	100%	0%	100%	* \$ -	\$ 9,261	\$ -	\$ 9,261
Insurance Opt Out	\$ 2,075	\$ (1,079)	\$ 996	0%	100%	0%	100%	* \$ -	\$ 996	\$ -	\$ 996
Christmas Bonus	\$ 2,950	\$ (1,534)	\$ 1,416	0%	100%	0%	100%	* \$ -	\$ 1,416	\$ -	\$ 1,416
OASI (Employer's Share)	\$ 76,708	\$ (39,886)	\$ 36,823	0%	100%	0%	100%	* \$ -	\$ 36,823	\$ -	\$ 36,823
Hospital and Health	\$ 254,356	\$ (132,256)	\$ 122,100	0%	100%	0%	100%	* \$ -	\$ 122,100	\$ -	\$ 122,100
Employee Retirement Plan	\$ 65,607	\$ (34,113)	\$ 31,494	0%	100%	0%	100%	* \$ -	\$ 31,494	\$ -	\$ 31,494
Unemployment Insurance	\$ 639	\$ (332)	\$ 307	0%	100%	0%	100%	* \$ -	\$ 307	\$ -	\$ 307
Contractual Services	\$ 245,347	\$ (127,572)	\$ 117,775	0%	100%	0%	100%	* \$ -	\$ 117,775	\$ -	\$ 117,775
Postage, Box Rent, Etc.	\$ 70,775	\$ (36,801)	\$ 33,975	0%	100%	0%	100%	* \$ -	\$ 33,975	\$ -	\$ 33,975
Memberships	\$ 350	\$ (182)	\$ 168	0%	100%	0%	100%	* \$ -	\$ 168	\$ -	\$ 168
Land Lines & Internet	\$ 11,106	\$ (5,775)	\$ 5,331	0%	100%	0%	100%	* \$ -	\$ 5,331	\$ -	\$ 5,331
Legal Services	\$ 25,101	\$ (13,052)	\$ 12,050	0%	100%	0%	100%	* \$ -	\$ 12,050	\$ -	\$ 12,050
Audit Services	\$ 12,073	\$ (6,278)	\$ 5,795	0%	100%	0%	100%	* \$ -	\$ 5,795	\$ -	\$ 5,795
Repair & Maintenance Grounds	\$ 12	\$ (6)	\$ 6	0%	100%	0%	100%	* \$ -	\$ 6	\$ -	\$ 6
Other Services & Charges	\$ 1,500	\$ (780)	\$ 720	0%	100%	0%	100%	* \$ -	\$ 720	\$ -	\$ 720
Sewer Dev Fund - Other Charges	\$ 1,875	\$ -	\$ 1,875	0%	100%	0%	100%	* \$ -	\$ 1,875	\$ -	\$ 1,875
Office Supplies & Materials	\$ 6,477	\$ (3,368)	\$ 3,109	0%	100%	0%	100%	* \$ -	\$ 3,109	\$ -	\$ 3,109
Operating Supplies	\$ 865	\$ (450)	\$ 415	0%	100%	0%	100%	* \$ -	\$ 415	\$ -	\$ 415
TML Insurance Coverage	\$ 266	\$ (138)	\$ 128	0%	100%	0%	100%	* \$ -	\$ 128	\$ -	\$ 128
Other Grants, Contributions, Idemnitites	\$ 496	\$ (258)	\$ 238	0%	100%	0%	100%	* \$ -	\$ 238	\$ -	\$ 238
Bad Debt Sewer	\$ 5,446	\$ -	\$ 5,446	0%	100%	0%	100%	* \$ -	\$ 5,446	\$ -	\$ 5,446
Subtotal Customer Accounting & Collection	\$ 1,810,846	\$ (937,770)	\$ 873,076				\$ -	\$ 873,076	\$ -	\$ 873,076	
							0%	100%	0%	100%	
Total Operating Expenses	\$ 4,632,043	\$ (937,770)	\$ 3,694,272				\$ 2,020,537	\$ 1,149,443	\$ 524,293	\$ 3,694,272	
							55%	31%	14%	100%	

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Volume Expenses
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	<u>Test Yr.</u>		Res	Comm	Total
Sewer Collection					
Salaries	\$ 134,154	30	\$ 128,662	\$ 5,492	\$ 134,154
Salaries - Overtime	\$ 2,059	30	\$ 1,974	\$ 84	\$ 2,059
Christmas Bonus	\$ 891	30	\$ 855	\$ 36	\$ 891
OASI (Employer's Share)	\$ 10,182	30	\$ 9,765	\$ 417	\$ 10,182
Hospital and Health Insurance	\$ 41,488	30	\$ 39,789	\$ 1,699	\$ 41,488
Employee Retirement Plan	\$ 9,131	30	\$ 8,757	\$ 374	\$ 9,131
Unemployment Insurance	\$ 70	30	\$ 67	\$ 3	\$ 70
Contractual Services	\$ 82,500	30	\$ 79,122	\$ 3,378	\$ 82,500
Memberships, Registration Fees	\$ -	30	\$ -	\$ -	\$ -
Electric	\$ 36,462	30	\$ 34,969	\$ 1,493	\$ 36,462
Cell Phones	\$ -	30	\$ -	\$ -	\$ -
Architectural, Engineering	\$ 10,287	30	\$ 9,866	\$ 421	\$ 10,287
Repair and Maintenance Motor Vehicles	\$ 1,799	30	\$ 1,725	\$ 74	\$ 1,799
Repair and Maintenance Other Machinery	\$ 2,287	30	\$ 2,193	\$ 94	\$ 2,287
Repair and Maintenance Other Repairs	\$ 5,242	30	\$ 5,027	\$ 215	\$ 5,242
Other Services & Charges	\$ 1,980	30	\$ 1,899	\$ 81	\$ 1,980
Ambulance, Clinic, and Hospital	\$ -	30	\$ -	\$ -	\$ -
Operating Supplies	\$ 37,106	30	\$ 35,587	\$ 1,519	\$ 37,106
Chem, Lab, & Med/Safety	\$ 27,748	30	\$ 26,612	\$ 1,136	\$ 27,748
Clothing and Uniforms	\$ -	30	\$ -	\$ -	\$ -
Gas, Oil, Diesel Fuel, Grease, Etc.	\$ 7,687	30	\$ 7,372	\$ 315	\$ 7,687
TML Insurance	\$ -	30	\$ -	\$ -	\$ -
Workers Comp Deductible	\$ 65	30	\$ 62	\$ 3	\$ 65
Other Grants, Contributions, & Idemnities	\$ 10,275	30	\$ 9,854	\$ 421	\$ 10,275
Subtotal Sewer Collection	<u>\$ 421,410</u>		<u>\$ 404,157</u>	<u>\$ 17,253</u>	<u>\$ 421,410</u>

Sewer Treatment					
Salaries	\$ 300,001	30	\$ 287,719	\$ 12,282	\$ 300,001
Salaries Overtime	\$ 4,991	30	\$ 4,786	\$ 204	\$ 4,991
Insurance Opt Out	\$ 1,352	30	\$ 1,297	\$ 55	\$ 1,352
Christmas Bonus	\$ 1,127	30	\$ 1,080	\$ 46	\$ 1,127
OASI (Employer's Share)	\$ 22,826	30	\$ 21,892	\$ 935	\$ 22,826
Hospital and Health Insurance	\$ 83,756	30	\$ 80,327	\$ 3,429	\$ 83,756
Employee Retirement Plan	\$ 20,198	30	\$ 19,371	\$ 827	\$ 20,198
Unemployment Insurance	\$ 198	30	\$ 190	\$ 8	\$ 198
Contractual Services	\$ 2,049	30	\$ 1,965	\$ 84	\$ 2,049
Memberships, Registration Fees, and Tuition	\$ -	30	\$ -	\$ -	\$ -
Electric	\$ 271,330	30	\$ 260,222	\$ 11,109	\$ 271,330
Water/Sewer	\$ 864	30	\$ 829	\$ 35	\$ 864
Gas	\$ 1,271	30	\$ 1,219	\$ 52	\$ 1,271
Telephone & Other Communications	\$ -	30	\$ -	\$ -	\$ -
Cell Phones	\$ 164	30	\$ 158	\$ 7	\$ 164
Stormwater Fees	\$ 1,771	30	\$ 1,699	\$ 73	\$ 1,771
Architectural, Engineering, and Landscaping Service	\$ 314,831	30	\$ 301,941	\$ 12,890	\$ 314,831
Repair and Maintenance Services/City Hall	\$ 160	30	\$ 154	\$ 7	\$ 160
Repair and Maintenance Motor Vehicles	\$ 490	30	\$ 470	\$ 20	\$ 490
Repair and Maintenance Other Machinery	\$ 82,561	30	\$ 79,181	\$ 3,380	\$ 82,561

Repair and Maintenance Grounds and Ground	\$ 33	30	\$ 32	\$ 1	\$ 33
Sludge Removal	\$ 212,848	30	\$ 204,134	\$ 8,714	\$ 212,848
Travel	\$ -	30	\$ -	\$ -	\$ -
Ambulance, Clinic, and Hospital Services	\$ -	30	\$ -	\$ -	\$ -
Office Supplies and Materials	\$ -	30	\$ -	\$ -	\$ -
Operating Supplies	\$ 28,369	30	\$ 27,207	\$ 1,161	\$ 28,369
Polymer WWTP	\$ 112,849	30	\$ 108,229	\$ 4,620	\$ 112,849
Chem, Lab, & Med/Safety	\$ 9,025	30	\$ 8,655	\$ 369	\$ 9,025
Clothing and Uniforms	\$ -	30	\$ -	\$ -	\$ -
Other Op Supplies/Canine/WWTP Lab Analysis	\$ 17,290	30	\$ 16,582	\$ 708	\$ 17,290
Gas, Oil, Diesel Fuel, Grease, Etc.	\$ 2,590	30	\$ 2,484	\$ 106	\$ 2,590
Repair & Maintenance Supplies	\$ 50,817	30	\$ 48,737	\$ 2,081	\$ 50,817
TML Insurance	\$ -	30	\$ -	\$ -	\$ -
Machinery & Equipment	\$ 2,763	30	\$ 2,650	\$ 113	\$ 2,763
TN State Fees	\$ -	30	\$ -	\$ -	\$ -
WWTP Expansion Sr - Administrative Fees	\$ 7,324	30	\$ 7,025	\$ 300	\$ 7,324
Other Grants, Contributions, & Idemnitites	\$ 90	30	\$ 86	\$ 4	\$ 90
Operating Transfer Out MS4	\$ 45,188	30	\$ 43,338	\$ 1,850	\$ 45,188
Subtotal Sewer Treatment	<u>\$ 1,599,126</u>		<u>\$ 1,533,656</u>	<u>\$ 65,470</u>	<u>\$ 1,599,126</u>
Subtotal Coll & Treat	<u>\$ 2,020,537</u>		<u>\$ 1,937,813</u>	<u>\$ 82,723</u>	<u>\$ 2,020,537</u>

Customer Accounting & Collection

Salaries	\$ -	30	\$ -	\$ -	\$ -
Salaries Overtime	\$ -	30	\$ -	\$ -	\$ -
Insurance Opt Out	\$ -	30	\$ -	\$ -	\$ -
Christmas Bonus	\$ -	30	\$ -	\$ -	\$ -
OASI (Employer's Share)	\$ -	30	\$ -	\$ -	\$ -
Hospital and Health	\$ -	30	\$ -	\$ -	\$ -
Employee Retirement Plan	\$ -	30	\$ -	\$ -	\$ -
Unemployment Insurance	\$ -	30	\$ -	\$ -	\$ -
Contractual Services	\$ -	30	\$ -	\$ -	\$ -
Postage, Box Rent, Etc.	\$ -	30	\$ -	\$ -	\$ -
Memberships	\$ -	30	\$ -	\$ -	\$ -
Land Lines & Internet	\$ -	30	\$ -	\$ -	\$ -
Legal Services	\$ -	30	\$ -	\$ -	\$ -
Audit Services	\$ -	30	\$ -	\$ -	\$ -
Repair & Maintenance Grounds	\$ -	30	\$ -	\$ -	\$ -
Other Services & Charges	\$ -	30	\$ -	\$ -	\$ -
Sewer Dev Fund - Other Charges	\$ -	30	\$ -	\$ -	\$ -
Office Supplies & Materials	\$ -	30	\$ -	\$ -	\$ -
Operating Supplies	\$ -	30	\$ -	\$ -	\$ -
TML Insurance Coverage	\$ -	30	\$ -	\$ -	\$ -
Other Grants, Contributions, Idemnitites	\$ -	30	\$ -	\$ -	\$ -
Bad Debt Sewer	\$ -	30	\$ -	\$ -	\$ -
Subtotal Customer Accounting & Collection	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Total Operating Expenses	<u>\$ 2,020,537</u>		<u>\$ 1,937,813</u>	<u>\$ 82,723</u>	<u>\$ 2,020,537</u>
			96%	4%	100%

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Customer Expenses
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	<u>Test Yr.</u>		Res	Comm	Total
Sewer Collection					
Salaries	\$ 69,110	21	\$ 68,428	\$ 682	\$ 69,110
Salaries - Overtime	\$ 1,061	21	\$ 1,050	\$ 10	\$ 1,061
Christmas Bonus	\$ 459	21	\$ 454	\$ 5	\$ 459
OASI (Employer's Share)	\$ 5,245	21	\$ 5,194	\$ 52	\$ 5,245
Hospital and Health Insurance	\$ 21,373	21	\$ 21,162	\$ 211	\$ 21,373
Employee Retirement Plan	\$ 4,704	21	\$ 4,658	\$ 46	\$ 4,704
Unemployment Insurance	\$ 36	21	\$ 36	\$ 0	\$ 36
Contractual Services	\$ 42,500	21	\$ 42,081	\$ 419	\$ 42,500
Memberships, Registration Fees	\$ 6,275	21	\$ 6,213	\$ 62	\$ 6,275
Electric	\$ 18,784	21	\$ 18,598	\$ 185	\$ 18,784
Cell Phones	\$ 4,684	21	\$ 4,638	\$ 46	\$ 4,684
Architectural, Engineering	\$ 5,299	21	\$ 5,247	\$ 52	\$ 5,299
Repair and Maintenance Motor Vehicles	\$ 927	21	\$ 917	\$ 9	\$ 927
Repair and Maintenance Other Machinery	\$ 1,178	21	\$ 1,167	\$ 12	\$ 1,178
Repair and Maintenance Other Repairs	\$ 2,700	21	\$ 2,674	\$ 27	\$ 2,700
Other Services & Charges	\$ 1,020	21	\$ 1,010	\$ 10	\$ 1,020
Ambulance, Clinic, and Hospital	\$ 52	21	\$ 51	\$ 1	\$ 52
Operating Supplies	\$ 19,115	21	\$ 18,927	\$ 189	\$ 19,115
Chem, Lab, & Med/Safety	\$ 14,294	21	\$ 14,153	\$ 141	\$ 14,294
Clothing and Uniforms	\$ 2,595	21	\$ 2,569	\$ 26	\$ 2,595
Gas, Oil, Diesel Fuel, Grease, Etc.	\$ 3,960	21	\$ 3,921	\$ 39	\$ 3,960
TML Insurance	\$ 5,853	21	\$ 5,795	\$ 58	\$ 5,853
Workers Comp Deductible	\$ 33	21	\$ 33	\$ 0	\$ 33
Other Grants, Contributions, & Idemnities	\$ 5,293	21	\$ 5,241	\$ 52	\$ 5,293
Subtotal Sewer Collection	<u>\$ 236,550</u>		<u>\$ 234,217</u>	<u>\$ 2,333</u>	<u>\$ 236,550</u>

Sewer Treatment					
Salaries	\$ -	21	\$ -	\$ -	\$ -
Salaries Overtime	\$ -	21	\$ -	\$ -	\$ -
Insurance Opt Out	\$ -	21	\$ -	\$ -	\$ -
Christmas Bonus	\$ -	21	\$ -	\$ -	\$ -
OASI (Employer's Share)	\$ -	21	\$ -	\$ -	\$ -
Hospital and Health Insurance	\$ -	21	\$ -	\$ -	\$ -
Employee Retirement Plan	\$ -	21	\$ -	\$ -	\$ -
Unemployment Insurance	\$ -	21	\$ -	\$ -	\$ -
Contractual Services	\$ -	21	\$ -	\$ -	\$ -
Memberships, Registration Fees, and Tuition	\$ 935	21	\$ 926	\$ 9	\$ 935
Electric	\$ -	21	\$ -	\$ -	\$ -
Water/Sewer	\$ -	21	\$ -	\$ -	\$ -
Gas	\$ -	21	\$ -	\$ -	\$ -
Telephone & Other Communications	\$ 707	21	\$ 700	\$ 7	\$ 707
Cell Phones	\$ -	21	\$ -	\$ -	\$ -
Stormwater Fees	\$ -	21	\$ -	\$ -	\$ -
Architectural, Engineering, and Landscaping Service	\$ -	21	\$ -	\$ -	\$ -
Repair and Maintenance Services/City Hall	\$ -	21	\$ -	\$ -	\$ -
Repair and Maintenance Motor Vehicles	\$ -	21	\$ -	\$ -	\$ -
Repair and Maintenance Other Machinery	\$ -	21	\$ -	\$ -	\$ -

Repair and Maintenance Grounds and Ground Sludge Removal	\$ -	21	\$ -	\$ -	\$ -
Travel	\$ 1,201	21	\$ 1,189	\$ 12	\$ 1,201
Ambulance, Clinic, and Hospital Services	\$ 347	21	\$ 344	\$ 3	\$ 347
Office Supplies and Materials	\$ 1,000	21	\$ 991	\$ 10	\$ 1,000
Operating Supplies	\$ -	21	\$ -	\$ -	\$ -
Polymer WWTP	\$ -	21	\$ -	\$ -	\$ -
Chem, Lab, & Med/Safety	\$ -	21	\$ -	\$ -	\$ -
Clothing and Uniforms	\$ 626	21	\$ 620	\$ 6	\$ 626
Other Op Supplies/Canine/WWTP Lab Analysis	\$ -	21	\$ -	\$ -	\$ -
Gas, Oil, Diesel Fuel, Grease, Etc.	\$ -	21	\$ -	\$ -	\$ -
Repair & Maintenance Supplies	\$ -	21	\$ -	\$ -	\$ -
TML Insurance	\$ 18,400	21	\$ 18,219	\$ 181	\$ 18,400
Machinery & Equipment	\$ -	21	\$ -	\$ -	\$ -
TN State Fees	\$ 16,600	21	\$ 16,436	\$ 164	\$ 16,600
WWTP Expansion Sr - Administrative Fees	\$ -	21	\$ -	\$ -	\$ -
Other Grants, Contributions, & Idemnifites	\$ -	21	\$ -	\$ -	\$ -
Operating Transfer Out MS4	\$ -	21	\$ -	\$ -	\$ -
Subtotal Sewer Treatment	\$ 39,817		\$ 39,424	\$ 393	\$ 39,817
Subtotal Coll & Treat	\$ 276,367		\$ 273,641	\$ 2,725	\$ 276,367

Customer Accounting & Collection

Salaries	\$ 483,650	21	\$ 478,880	\$ 4,770	\$ 483,650
Salaries Overtime	\$ 9,261	21	\$ 9,169	\$ 91	\$ 9,261
Insurance Opt Out	\$ 996	21	\$ 986	\$ 10	\$ 996
Christmas Bonus	\$ 1,416	21	\$ 1,402	\$ 14	\$ 1,416
OASI (Employer's Share)	\$ 36,823	21	\$ 36,460	\$ 363	\$ 36,823
Hospital and Health	\$ 122,100	21	\$ 120,895	\$ 1,204	\$ 122,100
Employee Retirement Plan	\$ 31,494	21	\$ 31,183	\$ 311	\$ 31,494
Unemployment Insurance	\$ 307	21	\$ 304	\$ 3	\$ 307
Contractual Services	\$ 117,775	21	\$ 116,614	\$ 1,161	\$ 117,775
Postage, Box Rent, Etc.	\$ 33,975	21	\$ 33,639	\$ 335	\$ 33,975
Memberships	\$ 168	21	\$ 166	\$ 2	\$ 168
Land Lines & Internet	\$ 5,331	21	\$ 5,279	\$ 53	\$ 5,331
Legal Services	\$ 12,050	21	\$ 11,931	\$ 119	\$ 12,050
Audit Services	\$ 5,795	21	\$ 5,738	\$ 57	\$ 5,795
Repair & Maintenance Grounds	\$ 6	21	\$ 6	\$ 0	\$ 6
Other Services & Charges	\$ 720	21	\$ 713	\$ 7	\$ 720
Sewer Dev Fund - Other Charges	\$ 1,875	21	\$ 1,857	\$ 18	\$ 1,875
Office Supplies & Materials	\$ 3,109	21	\$ 3,078	\$ 31	\$ 3,109
Operating Supplies	\$ 415	21	\$ 411	\$ 4	\$ 415
TML Insurance Coverage	\$ 128	21	\$ 126	\$ 1	\$ 128
Other Grants, Contributions, Idemnifites	\$ 238	21	\$ 236	\$ 2	\$ 238
Bad Debt Sewer	\$ 5,446	21	\$ 5,393	\$ 54	\$ 5,446
Subtotal Customer Accounting & Collection	\$ 873,076		\$ 864,466	\$ 8,610	\$ 873,076
Total Operating Expenses	\$ 1,149,443		\$ 1,138,107	\$ 11,335	\$ 1,149,443
			99%	1%	100%

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Strength Expenses
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	<u>Test Yr.</u>		Res	Comm	Total
Sewer Collection					
Salaries	\$ -	40	\$ -	\$ -	\$ -
Salaries - Overtime	\$ -	40	\$ -	\$ -	\$ -
Christmas Bonus	\$ -	40	\$ -	\$ -	\$ -
OASI (Employer's Share)	\$ -	40	\$ -	\$ -	\$ -
Hospital and Health Insurance	\$ -	40	\$ -	\$ -	\$ -
Employee Retirement Plan	\$ -	40	\$ -	\$ -	\$ -
Unemployment Insurance	\$ -	40	\$ -	\$ -	\$ -
Contractual Services	\$ -	40	\$ -	\$ -	\$ -
Memberships, Registration Fees	\$ -	40	\$ -	\$ -	\$ -
Electric	\$ -	40	\$ -	\$ -	\$ -
Cell Phones	\$ -	40	\$ -	\$ -	\$ -
Architectural, Engineering	\$ -	40	\$ -	\$ -	\$ -
Repair and Maintenance Motor Vehicles	\$ -	40	\$ -	\$ -	\$ -
Repair and Maintenance Other Machinery	\$ -	40	\$ -	\$ -	\$ -
Repair and Maintenance Other Repairs	\$ -	40	\$ -	\$ -	\$ -
Other Services & Charges	\$ -	40	\$ -	\$ -	\$ -
Ambulance, Clinic, and Hospital	\$ -	40	\$ -	\$ -	\$ -
Operating Supplies	\$ -	40	\$ -	\$ -	\$ -
Chem, Lab, & Med/Safety	\$ -	40	\$ -	\$ -	\$ -
Clothing and Uniforms	\$ -	40	\$ -	\$ -	\$ -
Gas, Oil, Diesel Fuel, Grease, Etc.	\$ -	40	\$ -	\$ -	\$ -
TML Insurance	\$ -	40	\$ -	\$ -	\$ -
Workers Comp Deductible	\$ -	40	\$ -	\$ -	\$ -
Other Grants, Contributions, & Idemnities	\$ -	40	\$ -	\$ -	\$ -
Subtotal Sewer Collection	\$ -		\$ -	\$ -	\$ -

Sewer Treatment					
Salaries	\$ 99,434	40	\$ 93,978	\$ 5,456	\$ 99,434
Salaries Overtime	\$ 1,654	40	\$ 1,563	\$ 91	\$ 1,654
Insurance Opt Out	\$ 448	40	\$ 423	\$ 25	\$ 448
Christmas Bonus	\$ 373	40	\$ 353	\$ 20	\$ 373
OASI (Employer's Share)	\$ 7,566	40	\$ 7,151	\$ 415	\$ 7,566
Hospital and Health Insurance	\$ 27,761	40	\$ 26,237	\$ 1,523	\$ 27,761
Employee Retirement Plan	\$ 6,694	40	\$ 6,327	\$ 367	\$ 6,694
Unemployment Insurance	\$ 66	40	\$ 62	\$ 4	\$ 66
Contractual Services	\$ 679	40	\$ 642	\$ 37	\$ 679
Memberships, Registration Fees, and Tuition	\$ -	40	\$ -	\$ -	\$ -
Electric	\$ 89,931	40	\$ 84,997	\$ 4,935	\$ 89,931
Water/Sewer	\$ 286	40	\$ 271	\$ 16	\$ 286
Gas	\$ 421	40	\$ 398	\$ 23	\$ 421
Telephone & Other Communications	\$ -	40	\$ -	\$ -	\$ -
Cell Phones	\$ 54	40	\$ 51	\$ 3	\$ 54
Stormwater Fees	\$ 587	40	\$ 555	\$ 32	\$ 587
Architectural, Engineering, and Landscaping Service	\$ 104,349	40	\$ 98,624	\$ 5,726	\$ 104,349
Repair and Maintenance Services/City Hall	\$ 53	40	\$ 50	\$ 3	\$ 53
Repair and Maintenance Motor Vehicles	\$ 163	40	\$ 154	\$ 9	\$ 163
Repair and Maintenance Other Machinery	\$ 27,364	40	\$ 25,863	\$ 1,502	\$ 27,364

Repair and Maintenance Grounds and Ground	\$ 11	40	\$ 10	\$ 1	\$ 11
Sludge Removal	\$ 70,548	40	\$ 66,676	\$ 3,871	\$ 70,548
Travel	\$ -	40	\$ -	\$ -	\$ -
Ambulance, Clinic, and Hospital Services	\$ -	40	\$ -	\$ -	\$ -
Office Supplies and Materials	\$ -	40	\$ -	\$ -	\$ -
Operating Supplies	\$ 9,403	40	\$ 8,887	\$ 516	\$ 9,403
Polymer WWTP	\$ 37,403	40	\$ 35,351	\$ 2,052	\$ 37,403
Chem, Lab, & Med/Safety	\$ 2,991	40	\$ 2,827	\$ 164	\$ 2,991
Clothing and Uniforms	\$ -	40	\$ -	\$ -	\$ -
Other Op Supplies/Canine/WWTP Lab Analysis	\$ -	40	\$ -	\$ -	\$ -
Gas, Oil, Diesel Fuel, Grease, Etc.	\$ 859	40	\$ 811	\$ 47	\$ 859
Repair & Maintenance Supplies	\$ 16,843	40	\$ 15,919	\$ 924	\$ 16,843
TML Insurance	\$ -	40	\$ -	\$ -	\$ -
Machinery & Equipment	\$ 916	40	\$ 865	\$ 50	\$ 916
TN State Fees	\$ -	40	\$ -	\$ -	\$ -
WWTP Expansion Sr - Administrative Fees	\$ 2,428	40	\$ 2,294	\$ 133	\$ 2,428
Other Grants, Contributions, & Idemnitites	\$ 30	40	\$ 28	\$ 2	\$ 30
Operating Transfer Out MS4	\$ 14,977	40	\$ 14,155	\$ 822	\$ 14,977
Subtotal Sewer Treatment	<u>\$524,293</u>		<u>\$495,524</u>	<u>\$28,769</u>	<u>\$524,293</u>
Subtotal Coll & Treat	<u>\$524,293</u>		<u>\$495,524</u>	<u>\$28,769</u>	<u>\$524,293</u>

Customer Accounting & Collection

Salaries	\$ -	40	\$ -	\$ -	\$ -
Salaries Overtime	\$ -	40	\$ -	\$ -	\$ -
Insurance Opt Out	\$ -	40	\$ -	\$ -	\$ -
Christmas Bonus	\$ -	40	\$ -	\$ -	\$ -
OASI (Employer's Share)	\$ -	40	\$ -	\$ -	\$ -
Hospital and Health	\$ -	40	\$ -	\$ -	\$ -
Employee Retirement Plan	\$ -	40	\$ -	\$ -	\$ -
Unemployment Insurance	\$ -	40	\$ -	\$ -	\$ -
Contractual Services	\$ -	40	\$ -	\$ -	\$ -
Postage, Box Rent, Etc.	\$ -	40	\$ -	\$ -	\$ -
Memberships	\$ -	40	\$ -	\$ -	\$ -
Land Lines & Internet	\$ -	40	\$ -	\$ -	\$ -
Legal Services	\$ -	40	\$ -	\$ -	\$ -
Audit Services	\$ -	40	\$ -	\$ -	\$ -
Repair & Maintenance Grounds	\$ -	40	\$ -	\$ -	\$ -
Other Services & Charges	\$ -	40	\$ -	\$ -	\$ -
Sewer Dev Fund - Other Charges	\$ -	40	\$ -	\$ -	\$ -
Office Supplies & Materials	\$ -	40	\$ -	\$ -	\$ -
Operating Supplies	\$ -	40	\$ -	\$ -	\$ -
TML Insurance Coverage	\$ -	40	\$ -	\$ -	\$ -
Other Grants, Contributions, Idemnitites	\$ -	40	\$ -	\$ -	\$ -
Bad Debt Sewer	\$ -	40	\$ -	\$ -	\$ -
Subtotal Customer Accounting & Collection	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Total Operating Expenses	<u>\$524,293</u>		<u>\$495,524</u>	<u>\$28,769</u>	<u>\$524,293</u>
			95%	5%	100%

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Operating Expenses
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	<u>Test Yr.</u>	Res	Comm	Total
Sewer Collection				
Salaries	\$ 203,264	\$ 197,090	\$ 6,174	\$ 203,264
Salaries - Overtime	\$ 3,119	\$ 3,024	\$ 95	\$ 3,119
Christmas Bonus	\$ 1,350	\$ 1,309	\$ 41	\$ 1,350
OASI (Employer's Share)	\$ 15,427	\$ 14,959	\$ 469	\$ 15,427
Hospital and Health Insurance	\$ 62,860	\$ 60,951	\$ 1,909	\$ 62,860
Employee Retirement Plan	\$ 13,835	\$ 13,415	\$ 420	\$ 13,835
Unemployment Insurance	\$ 106	\$ 103	\$ 3	\$ 106
Contractual Services	\$ 125,000	\$ 121,203	\$ 3,797	\$ 125,000
Memberships, Registration Fees	\$ 6,275	\$ 6,213	\$ 62	\$ 6,275
Electric	\$ 55,246	\$ 53,568	\$ 1,678	\$ 55,246
Cell Phones	\$ 4,684	\$ 4,638	\$ 46	\$ 4,684
Architectural, Engineering	\$ 15,586	\$ 15,112	\$ 473	\$ 15,586
Repair and Maintenance Motor Vehicles	\$ 2,725	\$ 2,642	\$ 83	\$ 2,725
Repair and Maintenance Other Machinery	\$ 3,465	\$ 3,360	\$ 105	\$ 3,465
Repair and Maintenance Other Repairs	\$ 7,942	\$ 7,701	\$ 241	\$ 7,942
Other Services & Charges	\$ 3,000	\$ 2,908	\$ 91	\$ 3,000
Ambulance, Clinic, and Hospital	\$ 52	\$ 51	\$ 1	\$ 52
Operating Supplies	\$ 56,221	\$ 54,513	\$ 1,708	\$ 56,221
Chem, Lab, & Med/Safety	\$ 42,042	\$ 40,765	\$ 1,277	\$ 42,042
Clothing and Uniforms	\$ 2,595	\$ 2,569	\$ 26	\$ 2,595
Gas, Oil, Diesel Fuel, Grease, Etc.	\$ 11,647	\$ 11,293	\$ 354	\$ 11,647
TML Insurance	\$ 5,853	\$ 5,795	\$ 58	\$ 5,853
Workers Comp Deductible	\$ 98	\$ 95	\$ 3	\$ 98
Other Grants, Contributions, & Idemnities	\$ 15,568	\$ 15,095	\$ 473	\$ 15,568
Subtotal Sewer Collection	<u>\$ 657,960</u>	<u>\$ 638,374</u>	<u>\$ 19,586</u>	<u>\$ 657,960</u>

Sewer Treatment				
Salaries	\$ 399,435	\$ 381,697	\$ 17,739	\$ 399,435
Salaries Overtime	\$ 6,645	\$ 6,350	\$ 295	\$ 6,645
Insurance Opt Out	\$ 1,800	\$ 1,720	\$ 80	\$ 1,800
Christmas Bonus	\$ 1,500	\$ 1,433	\$ 67	\$ 1,500
OASI (Employer's Share)	\$ 30,392	\$ 29,042	\$ 1,350	\$ 30,392
Hospital and Health Insurance	\$ 111,517	\$ 106,564	\$ 4,952	\$ 111,517
Employee Retirement Plan	\$ 26,892	\$ 25,698	\$ 1,194	\$ 26,892
Unemployment Insurance	\$ 264	\$ 252	\$ 12	\$ 264
Contractual Services	\$ 2,728	\$ 2,607	\$ 121	\$ 2,728
Memberships, Registration Fees, and Tuition	\$ 935	\$ 926	\$ 9	\$ 935
Electric	\$ 361,262	\$ 345,218	\$ 16,043	\$ 361,262
Water/Sewer	\$ 1,151	\$ 1,100	\$ 51	\$ 1,151
Gas	\$ 1,692	\$ 1,617	\$ 75	\$ 1,692
Telephone & Other Communications	\$ 707	\$ 700	\$ 7	\$ 707
Cell Phones	\$ 219	\$ 209	\$ 10	\$ 219
Stormwater Fees	\$ 2,359	\$ 2,254	\$ 105	\$ 2,359
Architectural, Engineering, and Landscaping Service	\$ 419,180	\$ 400,565	\$ 18,615	\$ 419,180
Repair and Maintenance Services/City Hall	\$ 214	\$ 204	\$ 9	\$ 214
Repair and Maintenance Motor Vehicles	\$ 653	\$ 624	\$ 29	\$ 653
Repair and Maintenance Other Machinery	\$ 109,925	\$ 105,044	\$ 4,882	\$ 109,925

Repair and Maintenance Grounds and Ground	\$ 44	\$ 42	\$ 2	\$ 44
Sludge Removal	\$ 283,395	\$ 270,810	\$ 12,585	\$ 283,395
Travel	\$ 1,201	\$ 1,189	\$ 12	\$ 1,201
Ambulance, Clinic, and Hospital Services	\$ 347	\$ 344	\$ 3	\$ 347
Office Supplies and Materials	\$ 1,000	\$ 991	\$ 10	\$ 1,000
Operating Supplies	\$ 37,771	\$ 36,094	\$ 1,677	\$ 37,771
Polymer WWTP	\$ 150,252	\$ 143,580	\$ 6,673	\$ 150,252
Chem, Lab, & Med/Safety	\$ 12,016	\$ 11,482	\$ 534	\$ 12,016
Clothing and Uniforms	\$ 626	\$ 620	\$ 6	\$ 626
Other Op Supplies/Canine/WWTP Lab Analysis	\$ 17,290	\$ 16,582	\$ 708	\$ 17,290
Gas, Oil, Diesel Fuel, Grease, Etc.	\$ 3,449	\$ 3,296	\$ 153	\$ 3,449
Repair & Maintenance Supplies	\$ 67,660	\$ 64,656	\$ 3,005	\$ 67,660
TML Insurance	\$ 18,400	\$ 18,219	\$ 181	\$ 18,400
Machinery & Equipment	\$ 3,678	\$ 3,515	\$ 163	\$ 3,678
TN State Fees	\$ 16,600	\$ 16,436	\$ 164	\$ 16,600
WWTP Expansion Sr - Administrative Fees	\$ 9,752	\$ 9,319	\$ 433	\$ 9,752
Other Grants, Contributions, & Idemnitites	\$ 120	\$ 115	\$ 5	\$ 120
Operating Transfer Out MS4	\$ 60,165	\$ 57,493	\$ 2,672	\$ 60,165
Subtotal Sewer Treatment	<u>\$2,163,236</u>	<u>\$2,068,605</u>	<u>\$ 94,632</u>	<u>\$2,163,236</u>
Subtotal Coll & Treat	<u>\$2,821,196</u>	<u>\$2,706,979</u>	<u>\$ 114,218</u>	<u>\$2,821,196</u>

Customer Accounting & Collection

Salaries	\$ 483,650	\$ 478,880	\$ 4,770	\$ 483,650
Salaries Overtime	\$ 9,261	\$ 9,169	\$ 91	\$ 9,261
Insurance Opt Out	\$ 996	\$ 986	\$ 10	\$ 996
Christmas Bonus	\$ 1,416	\$ 1,402	\$ 14	\$ 1,416
OASI (Employer's Share)	\$ 36,823	\$ 36,460	\$ 363	\$ 36,823
Hospital and Health	\$ 122,100	\$ 120,895	\$ 1,204	\$ 122,100
Employee Retirement Plan	\$ 31,494	\$ 31,183	\$ 311	\$ 31,494
Unemployment Insurance	\$ 307	\$ 304	\$ 3	\$ 307
Contractual Services	\$ 117,775	\$ 116,614	\$ 1,161	\$ 117,775
Postage, Box Rent, Etc.	\$ 33,975	\$ 33,639	\$ 335	\$ 33,975
Memberships	\$ 168	\$ 166	\$ 2	\$ 168
Land Lines & Internet	\$ 5,331	\$ 5,279	\$ 53	\$ 5,331
Legal Services	\$ 12,050	\$ 11,931	\$ 119	\$ 12,050
Audit Services	\$ 5,795	\$ 5,738	\$ 57	\$ 5,795
Repair & Maintenance Grounds	\$ 6	\$ 6	\$ 0	\$ 6
Other Services & Charges	\$ 720	\$ 713	\$ 7	\$ 720
Sewer Dev Fund - Other Charges	\$ 1,875	\$ 1,857	\$ 18	\$ 1,875
Office Supplies & Materials	\$ 3,109	\$ 3,078	\$ 31	\$ 3,109
Operating Supplies	\$ 415	\$ 411	\$ 4	\$ 415
TML Insurance Coverage	\$ 128	\$ 126	\$ 1	\$ 128
Other Grants, Contributions, Idemnitites	\$ 238	\$ 236	\$ 2	\$ 238
Bad Debt Sewer	\$ 5,446	\$ 5,393	\$ 54	\$ 5,446
Subtotal Customer Accounting & Collection	<u>\$ 873,076</u>	<u>\$ 864,466</u>	<u>\$ 8,610</u>	<u>\$ 873,076</u>

Total Operating Expenses	<u>\$3,694,272</u>	<u>\$3,571,445</u>	<u>\$122,828</u>	<u>\$3,694,272</u>
		97%	3%	100%

Debt Service

City of Spring Hill
 Sewer Cost of Service-12-Months Ending January 2019
 Classification of Debt Service

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	<u>Actual</u>	<u>Adj.</u>	<u>Test Yr.</u>	<u>Vol</u>	<u>Cust</u>	<u>WWS</u>	<u>Total</u>	<u>Description</u>	<u>Vol</u>	<u>Cust</u>	<u>WWS</u>	<u>Total</u>
Principal Expense												
SRF 11-294	\$ 269,376		\$ 269,376	75%	0%	25%	100%	As Treat Plt	* \$ 202,318	\$ -	\$ 67,058	\$ 269,376
SRF 10-267	\$ 360,852		\$ 360,852	75%	0%	25%	100%	As Treat Plt	* \$ 271,023	\$ -	\$ 89,829	\$ 360,852
SRF 98-116	\$ 267,336		\$ 267,336	75%	0%	25%	100%	As Treat Plt	* \$ 200,786	\$ -	\$ 66,550	\$ 267,336
Debt for Plant Expansion		\$ 1,008,236	\$ 1,008,236	75%	0%	25%	100%	As Treat Plt	* \$ 757,249	\$ -	\$ 250,987	\$ 1,008,236
Debt for Lining of Oxidation Ditch		\$ 87,380	\$ 87,380	75%	0%	25%	100%	As Treat Plt	* \$ 65,628	\$ -	\$ 21,752	\$ 87,380
Subtotal Principal Expense	\$ 897,564	\$ 1,095,616	\$ 1,993,180						\$ 1,497,004	\$ -	\$ 496,176	\$ 1,993,180
				75%	0%	25%						100%
Interest Expense												
SRF 11-294	\$ 137,856		\$ 137,856	75%	0%	25%	100%	As Treat Plt	* \$ 103,539	\$ -	\$ 34,317	\$ 137,856
SRF 10-267	\$ 153,480		\$ 153,480	75%	0%	25%	100%	As Treat Plt	* \$ 115,273	\$ -	\$ 38,207	\$ 153,480
SRF 98-116	\$ 14,436		\$ 14,436	75%	0%	25%	100%	As Treat Plt	* \$ 10,842	\$ -	\$ 3,594	\$ 14,436
Subtotal Interest Expense	\$ 305,772	\$ -	\$ 305,772						\$ 229,654	\$ -	\$ 76,118	\$ 305,772
				75%	0%	25%						100%
Total Debt Service	\$ 1,203,336	\$ 1,095,616	\$ 2,298,952						\$ 1,726,659	\$ -	\$ 572,294	\$ 2,298,952
				75%	0%	25%						100%

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Volume P&I
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	<u>Test Yr.</u>		Res	Comm	Total
Principal Expense					
SRF 11-294	\$ 202,318	30	\$ 194,035	\$ 8,283	\$ 202,318
SRF 10-267	\$ 271,023	30	\$ 259,927	\$11,096	\$ 271,023
SRF 98-116	\$ 200,786	30	\$ 192,566	\$ 8,220	\$ 200,786
Debt for Plant Expansion	\$ 757,249	30	\$ 726,246	\$31,003	\$ 757,249
Debt for Lining of Oxidation I	\$ 65,628	30	\$ 62,941	\$ 2,687	\$ 65,628
Subtotal Principal Expense	<u>\$1,497,004</u>		<u>\$1,435,715</u>	<u>\$61,289</u>	<u>\$1,497,004</u>
Interest Expense					
SRF 11-294	\$ 103,539	30	\$ 99,300	\$ 4,239	\$ 103,539
SRF 10-267	\$ 115,273	30	\$ 110,554	\$ 4,719	\$ 115,273
SRF 98-116	\$ 10,842	30	\$ 10,398	\$ 444	\$ 10,842
Subtotal Interest Expense	<u>\$ 229,654</u>		<u>\$ 220,252</u>	<u>\$ 9,402</u>	<u>\$ 229,654</u>
Total Debt Service	<u>\$1,726,659</u>		<u>\$1,655,967</u>	<u>\$70,692</u>	<u>\$1,726,659</u>

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Strength Revenue
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	Test Yr.		Res	Comm	Total
Principal Expense					
SRF 11-294	\$ 67,058	40	\$ 63,378	\$ 3,680	\$ 67,058
SRF 10-267	\$ 89,829	40	\$ 84,900	\$ 4,929	\$ 89,829
SRF 98-116	\$ 66,550	40	\$ 62,898	\$ 3,652	\$ 66,550
Debt for Plant Expansion	\$250,987	40	\$237,215	\$13,772	\$250,987
Debt for Lining of Oxidation I	\$ 21,752	40	\$ 20,559	\$ 1,194	\$ 21,752
Subtotal Principal Expense	<u>\$496,176</u>		<u>\$468,950</u>	<u>\$27,226</u>	<u>\$496,176</u>
Interest Expense					
SRF 11-294	\$ 34,317	40	\$ 32,434	\$ 1,883	\$ 34,317
SRF 10-267	\$ 38,207	40	\$ 36,110	\$ 2,096	\$ 38,207
SRF 98-116	\$ 3,594	40	\$ 3,396	\$ 197	\$ 3,594
Subtotal Interest Expense	<u>\$ 76,118</u>		<u>\$ 71,941</u>	<u>\$ 4,177</u>	<u>\$ 76,118</u>
Total Debt Service	<u>\$572,294</u>		<u>\$540,891</u>	<u>\$31,403</u>	<u>\$572,294</u>

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of P&I

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	<u>Test Yr.</u>	Res	Comm	Total
Principal Expense				
SRF 11-294	\$ 269,376	\$ 257,413	\$ 11,963	\$ 269,376
SRF 10-267	\$ 360,852	\$ 344,827	\$ 16,025	\$ 360,852
SRF 98-116	\$ 267,336	\$ 255,464	\$ 11,872	\$ 267,336
Debt for Plant Expansion	\$ 1,008,236	\$ 963,461	\$ 44,775	\$ 1,008,236
Debt for Lining of Oxidation	\$ 87,380	\$ 83,500	\$ 3,880	\$ 87,380
Subtotal Principal Expense	<u>\$1,993,180</u>	<u>\$1,904,665</u>	<u>\$ 88,515</u>	<u>\$1,993,180</u>
Interest Expense				
SRF 11-294	\$ 137,856	\$ 131,734	\$ 6,122	\$ 137,856
SRF 10-267	\$ 153,480	\$ 146,664	\$ 6,816	\$ 153,480
SRF 98-116	\$ 14,436	\$ 13,795	\$ 641	\$ 14,436
Subtotal Interest Expense	<u>\$ 305,772</u>	<u>\$ 292,193</u>	<u>\$ 13,579</u>	<u>\$ 305,772</u>
Total Debt Service	<u>\$2,298,952</u>	<u>\$2,196,858</u>	<u>\$102,094</u>	<u>\$2,298,952</u>
		96%	4%	100%

Fixed Expenses

City of Spring Hill
 Sewer Cost of Service-12-Months Ending January 2019
 Classification of Fixed Expenses

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	<u>Actual</u>	<u>Adj.</u>	<u>Test Yr.</u>	<u>Vol</u>	<u>Cust</u>	<u>WWS</u>	<u>Total</u>	<u>Description</u>	<u>Vol</u>	<u>Cust</u>	<u>WWS</u>	<u>Total</u>
Depreciation Expense												
Depreciation Expense	\$ 1,971,800	\$ (672,820)	\$ 1,298,981	70%	20%	10%	100%	As TUPIS	* \$ 906,578	\$ 257,767	\$ 134,636	\$ 1,298,981
Subtotal Depreciation Expense	<u>\$ 1,971,800</u>	<u>\$ (672,820)</u>	<u>\$ 1,298,981</u>						<u>\$ 906,578</u>	<u>\$ 257,767</u>	<u>\$ 134,636</u>	<u>\$ 1,298,981</u>
				70%	20%	10%						100%
Payment in Lieu of Tax												
PILOT	\$ 315,707	\$ (107,726)	\$ 207,981	70%	20%	10%	100%	As TUPIS	* \$ 145,153	\$ 41,271	\$ 21,557	\$ 207,981
Subtotal PILOT	<u>\$ 315,707</u>	<u>\$ (107,726)</u>	<u>\$ 207,981</u>						<u>\$ 145,153</u>	<u>\$ 41,271</u>	<u>\$ 21,557</u>	<u>\$ 207,981</u>
				70%	20%	10%						100%
Total Fixed Expenses	<u>\$ 2,287,507</u>	<u>\$ (780,546)</u>	<u>\$ 1,506,962</u>						<u>\$ 1,051,731</u>	<u>\$ 299,038</u>	<u>\$ 156,192</u>	<u>\$ 1,506,962</u>

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Volume Fixed Expenses
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	<u>Test Yr.</u>		Res	Comm	Total
Depreciation Expense					
Depreciation Expense	\$ 906,578	30	\$ 869,462	\$37,116	\$ 906,578
Subtotal Depreciation Expense	<u>\$ 906,578</u>		<u>\$ 869,462</u>	<u>\$37,116</u>	<u>\$ 906,578</u>
Payment in Lieu of Tax					
PILOT	\$ 145,153	30	\$ 139,210	\$ 5,943	\$ 145,153
Subtotal PILOT	<u>\$ 145,153</u>		<u>\$ 139,210</u>	<u>\$ 5,943</u>	<u>\$ 145,153</u>
Total Fixed Expenses	<u>\$1,051,731</u>		<u>\$1,008,672</u>	<u>\$43,059</u>	<u>\$1,051,731</u>

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Customer Fixed Expenses
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	Test Yr.	Res	Comm	Total	
Depreciation Expense					
Depreciation Expense	\$257,767	21	\$255,225	\$2,542	\$257,767
Subtotal Depreciation Expense	<u>\$257,767</u>		<u>\$255,225</u>	<u>\$2,542</u>	<u>\$257,767</u>
Payment in Lieu of Tax					
PILOT	\$ 41,271	21	\$ 40,864	\$ 407	\$ 41,271
Subtotal PILOT	<u>\$ 41,271</u>		<u>\$ 40,864</u>	<u>\$ 407</u>	<u>\$ 41,271</u>
Total Fixed Expenses	<u>\$299,038</u>		<u>\$296,089</u>	<u>\$2,949</u>	<u>\$299,038</u>

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Strength Fixed Expenses

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	<u>Test Yr.</u>		Res	Comm	Total
Depreciation Expense					
Depreciation Expense	\$ 134,636	40	\$ 127,248	\$ 7,388	\$ 134,636
Subtotal Depreciation Expense	<u>\$ 134,636</u>		<u>\$ 127,248</u>	<u>\$ 7,388</u>	<u>\$ 134,636</u>
Payment in Lieu of Tax					
PILOT	\$ 21,557	40	\$ 20,374	\$ 1,183	\$ 21,557
Subtotal PILOT	<u>\$ 21,557</u>		<u>\$ 20,374</u>	<u>\$ 1,183</u>	<u>\$ 21,557</u>
Total Fixed Expenses	<u>\$ 156,192</u>		<u>\$ 147,622</u>	<u>\$ 8,570</u>	<u>\$ 156,192</u>

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of Fixed Expenses

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	<u>Test Yr.</u>	Res	Comm	Total
Depreciation Expense				
Depreciation Expense	\$1,298,981	\$1,251,935	\$47,046	\$1,298,981
Subtotal Depreciation Expense	<u>\$1,298,981</u>	<u>\$1,251,935</u>	<u>\$47,046</u>	<u>\$1,298,981</u>
Payment in Lieu of Tax				
PILOT	\$ 207,981	\$ 200,449	\$ 7,533	\$ 207,981
Subtotal PILOT	<u>\$ 207,981</u>	<u>\$ 200,449</u>	<u>\$ 7,533</u>	<u>\$ 207,981</u>
Total Fixed Expenses	<u>\$1,506,962</u>	<u>\$1,452,383</u>	<u>\$54,579</u>	<u>\$1,506,962</u>
		96%	4%	100%

CIP

City of Spring Hill
 Sewer Cost of Service-12-Months Ending January 2019
 Classification of CIP

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	Actual	TYA	Growth	Test Yr.	Vol	Cust	WWS	Total	Description	Vol	Cust	WWS	Total
Five Year Capital Improvement Plan													
Sewer System I & I Repairs													
Capital Purchases (Testing & Monitoring equipment)	\$ 80,000		\$ -	\$ -	66%	34%	0%	100%	As Coll Plt	* \$ 52,800	\$ 27,200	\$ -	\$ 80,000 *
Construction/Materials (Slip lining and Manhole Inserts and Sealing)	\$ 675,000		\$ -	\$ 675,000	66%	34%	0%	100%	As Coll Plt	* \$ 445,500	\$ 229,500	\$ -	\$ 675,000 *
Construction/Program Administration (including program consultant)	\$ 200,000		\$ -	\$ 200,000	66%	34%	0%	100%	As Coll Plt	* \$ 132,000	\$ 68,000	\$ -	\$ 200,000 *
Inventorying/Testing/Analysis (Smoke Testing & Flow Monitoring)	\$ 105,000		\$ -	\$ 105,000	66%	34%	0%	100%	As Coll Plt	* \$ 69,300	\$ 35,700	\$ -	\$ 105,000 *
Sewer System Improvements Near Term													
SH-12	\$ 200,000		\$ -	\$ 200,000	66%	34%	0%	100%	As Coll Plt	* \$ 132,000	\$ 68,000	\$ -	\$ 200,000 *
SH-13	\$ 600,000		\$ -	\$ 600,000	66%	34%	0%	100%	As Coll Plt	* \$ 396,000	\$ 204,000	\$ -	\$ 600,000 *
Sewer Plant Expansion (5 MGD to 7.5 MGD)													
Environmental/Permitting/Geotech	\$ 100,000		\$ -	\$ 100,000	75%	0%	25%	100%	As Treat Plt	* \$ 75,106	\$ -	\$ 24,894	\$ 100,000 *
Water Quality Study (Rutherford Creek)	\$ 100,000		\$ -	\$ 100,000	75%	0%	25%	100%	As Treat Plt	* \$ 75,106	\$ -	\$ 24,894	\$ 100,000 *
Biosolids Study/Environmental	\$ 100,000		\$ -	\$ 100,000	75%	0%	25%	100%	As Treat Plt	* \$ 75,106	\$ -	\$ 24,894	\$ 100,000 *
Design/Permitting	\$ 1,780,000		\$ (1,780,000)	\$ -	75%	0%	25%	100%	As Treat Plt	* \$ -	\$ -	\$ -	\$ - *
Construction (Lining of Oxidation Ditch)	\$ 1,900,000	\$ (1,900,000)	\$ -	\$ -	75%	0%	25%	100%	As Treat Plt	* \$ -	\$ -	\$ -	\$ - *
Construction (Plant Expansion)	\$ 19,600,000	\$ (15,000,000)	\$ (4,600,000)	\$ -	75%	0%	25%	100%	As Treat Plt	* \$ -	\$ -	\$ -	\$ - *
CEI Services	\$ 2,210,000		\$ (2,210,000)	\$ -	75%	0%	25%	100%	As Treat Plt	* \$ -	\$ -	\$ -	\$ - *
Annual R&R	\$ 1,250,000		\$ -	\$ 1,250,000	70%	20%	10%	100%	As Outside Plt	* \$ 872,394	\$ 248,047	\$ 129,559	\$ 1,250,000 *
Subtotal	\$ 28,900,000	\$ (16,900,000)	\$ (8,590,000)	\$ 3,410,000						\$ 2,325,313	\$ 880,447	\$ 204,240	\$ 3,410,000 *
					68%	26%	6%	100%					
RR&Ext. Amount	\$ 3,410,000												
Workplan Period	\$ 682,000	5		\$ 682,000					Amount R&R Related				
				\$ 682,000					Forced into Rates				
Total CIP	\$ 12,000,000			\$ 1,298,981					Depreciation Check				
Total Rate Funding	\$ 682,000												

City of Spring Hill
 Sewer Cost of Service-12-Months Ending January 2019
 Allocation of Volume CIP
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	<u>Test Yr.</u>		Res	Comm	Total
Five Year Capital Improvement Plan					
Sewer System I & I Repairs					
Capital Purchases (Testing & Monitoring equipment)	\$ 52,800	30	\$ 50,638	\$ 2,162	\$ 52,800
Construction/Materials (Slip lining and Manhole Inserts and Sealing)	\$ 445,500	30	\$ 427,261	\$ 18,239	\$ 445,500
Construction/Program Administration (including program consultant)	\$ 132,000	30	\$ 126,596	\$ 5,404	\$ 132,000
Inventorizing/Testing/Analysis (Smoke Testing & Flow Monitoring)	\$ 69,300	30	\$ 66,463	\$ 2,837	\$ 69,300
Sewer System Improvements Near Term					
SH-12	\$ 132,000	30	\$ 126,596	\$ 5,404	\$ 132,000
SH-13	\$ 396,000	30	\$ 379,787	\$ 16,213	\$ 396,000
Sewer Plant Expansion (5 MGD to 7.5 MGD)					
Environmental/Permitting/Geotech	\$ 75,106	30	\$ 72,031	\$ 3,075	\$ 75,106
Water Quality Study (Rutherford Creek)	\$ 75,106	30	\$ 72,031	\$ 3,075	\$ 75,106
Biosolids Study/Environmental	\$ 75,106	30	\$ 72,031	\$ 3,075	\$ 75,106
Design/Permitting	\$ -	30	\$ -	\$ -	\$ -
Construction (Lining of Oxidation Ditch)	\$ -	30	\$ -	\$ -	\$ -
Construction (Plant Expansion)	\$ -	30	\$ -	\$ -	\$ -
CEI Services	\$ -	30	\$ -	\$ -	\$ -
Annual R&R	\$ 872,394	30	\$ 836,677	\$ 35,717	\$ 872,394
Subtotal	<u>\$ 2,325,313</u>		<u>\$ 2,230,111</u>	<u>\$ 95,201</u>	<u>\$ 2,325,313</u>
			96%	4%	100%

City of Spring Hill
 Sewer Cost of Service-12-Months Ending January 2019
 Allocation of Customer CIP
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	<u>Test Yr.</u>	Res	Comm	Total	
Five Year Capital Improvement Plan					
Sewer System I & I Repairs					
Capital Purchases (Testing & Monitoring equipment)	\$ 27,200	21	\$ 26,932	\$ 268	\$ 27,200
Construction/Materials (Slip lining and Manhole Inserts and Sealing)	\$229,500	21	\$227,237	\$2,263	\$229,500
Construction/Program Administration (including program consultant)	\$ 68,000	21	\$ 67,329	\$ 671	\$ 68,000
Inventorizing/Testing/Analysis (Smoke Testing & Flow Monitoring)	\$ 35,700	21	\$ 35,348	\$ 352	\$ 35,700
Sewer System Improvements Near Term					
SH-12	\$ 68,000	21	\$ 67,329	\$ 671	\$ 68,000
SH-13	\$204,000	21	\$201,988	\$2,012	\$204,000
Sewer Plant Expansion (5 MGD to 7.5 MGD)					
Environmental/Permitting/Geotech	\$ -	21	\$ -	\$ -	\$ -
Water Quality Study (Rutherford Creek)	\$ -	21	\$ -	\$ -	\$ -
Biosolids Study/Environmental	\$ -	21	\$ -	\$ -	\$ -
Design/Permitting	\$ -	21	\$ -	\$ -	\$ -
Construction (Lining of Oxidation Ditch)	\$ -	21	\$ -	\$ -	\$ -
Construction (Plant Expansion)	\$ -	21	\$ -	\$ -	\$ -
CEI Services	\$ -	21	\$ -	\$ -	\$ -
Annual R&R	\$248,047	21	\$245,601	\$2,446	\$248,047
Subtotal	<u>\$880,447</u>		<u>\$871,765</u>	<u>\$8,683</u>	<u>\$880,447</u>
			99%	1%	100%

City of Spring Hill
 Sewer Cost of Service-12-Months Ending January 2019
 Allocation of Strength CIP
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	<u>Test Yr.</u>		Res	Comm	Total
Five Year Capital Improvement Plan					
Sewer System I & I Repairs					
Capital Purchases (Testing & Monitoring equipment)	\$ -	40	\$ -	\$ -	\$ -
Construction/Materials (Slip lining and Manhole Inserts and Sealing)	\$ -	40	\$ -	\$ -	\$ -
Construction/Program Administration (including program consultant)	\$ -	40	\$ -	\$ -	\$ -
Inventorying/Testing/Analysis (Smoke Testing & Flow Monitoring)	\$ -	40	\$ -	\$ -	\$ -
Sewer System Improvements Near Term					
SH-12	\$ -	40	\$ -	\$ -	\$ -
SH-13	\$ -	40	\$ -	\$ -	\$ -
Sewer Plant Expansion (5 MGD to 7.5 MGD)					
Environmental/Permitting/Geotech	\$ 24,894	40	\$ 23,528	\$ 1,366	\$ 24,894
Water Quality Study (Rutherford Creek)	\$ 24,894	40	\$ 23,528	\$ 1,366	\$ 24,894
Biosolids Study/Environmental	\$ 24,894	40	\$ 23,528	\$ 1,366	\$ 24,894
Design/Permitting	\$ -	40	\$ -	\$ -	\$ -
Construction (Lining of Oxidation Ditch)	\$ -	40	\$ -	\$ -	\$ -
Construction (Plant Expansion)	\$ -	40	\$ -	\$ -	\$ -
CEI Services	\$ -	40	\$ -	\$ -	\$ -
Annual R&R	\$ 129,559	40	\$ 122,450	\$ 7,109	\$ 129,559
Subtotal	<u>\$ 204,240</u>		<u>\$ 193,033</u>	<u>\$ 11,207</u>	<u>\$ 204,240</u>
			95%	5%	100%

City of Spring Hill
Sewer Cost of Service-12-Months Ending January 2019
Allocation of CIP
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	<u>Test Yr.</u>	Res	Comm	Total
Five Year Capital Improvement Plan				
Sewer System I & I Repairs	\$ -	\$ -	\$ -	\$ -
Capital Purchases (Testing & Monitoring equipment)	\$ 80,000	\$ 77,570	\$ 2,430	\$ 80,000
Construction/Materials (Slip lining and Manhole Inserts and Sealing)	\$ 675,000	\$ 654,497	\$ 20,503	\$ 675,000
Construction/Program Administration (including program consultant)	\$ 200,000	\$ 193,925	\$ 6,075	\$ 200,000
Inventorizing/Testing/Analysis (Smoke Testing & Flow Monitoring)	\$ 105,000	\$ 101,811	\$ 3,189	\$ 105,000
Sewer System Improvements Near Term	\$ -	\$ -	\$ -	\$ -
SH-12	\$ 200,000	\$ 193,925	\$ 6,075	\$ 200,000
SH-13	\$ 600,000	\$ 581,775	\$ 18,225	\$ 600,000
Sewer Plant Expansion (5 MGD to 7.5 MGD)	\$ -	\$ -	\$ -	\$ -
Environmental/Permitting/Geotech	\$ 100,000	\$ 95,559	\$ 4,441	\$ 100,000
Water Quality Study (Rutherford Creek)	\$ 100,000	\$ 95,559	\$ 4,441	\$ 100,000
Biosolids Study/Environmental	\$ 100,000	\$ 95,559	\$ 4,441	\$ 100,000
Design/Permitting	\$ -	\$ -	\$ -	\$ -
Construction (Lining of Oxidation Ditch)	\$ -	\$ -	\$ -	\$ -
Construction (Plant Expansion)	\$ -	\$ -	\$ -	\$ -
CEI Services	\$ -	\$ -	\$ -	\$ -
Annual R&R	\$ 1,250,000	\$ 1,204,728	\$ 45,272	\$ 1,250,000
Subtotal	<u>\$ 3,410,000</u>	<u>\$ 3,294,909</u>	<u>\$ 115,091</u>	<u>\$ 3,410,000</u>
		97%	3%	100%