

1. Agenda And Packet

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City of Excelsior

City Council Work Session

AGENDA

Monday, October 21, 2019

Council Chambers

343 Third Street

5:30 P.M.

1. Call to Order/Roll Call
2. Agenda Approval
3. Review Preliminary Capital Improvement Fund, Capital Improvement Plan and Utility Fund Budgets
4. Adjournment

Note: The purpose of a Work Session is for the Council to discuss matters informally and in greater detail than is allowed at formal Council meetings. All meetings of the Council including Work Sessions will be open to the public. While the privilege of participating in these discussions is generally limited to the Council, staff, and consultants, the Mayor may open a discussion from the floor.

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MEMORANDUM

Item 3 – Prelim Capital Improvement Fund, Capital Improvement Plan (CIP) and Utility Fund Budgets

Re: _____

Date: October 21, 2019

To: City Council

From: Kelly Horn, Finance Director

The purpose of this work session is for the Council to review and discuss the preliminary 2020 Capital Project and Utility Fund budgets. The 2020 - 2029 Capital Improvement Plan (CIP) is also attached and should be reviewed and updated as the Council sees fit. Also included are the Pavement Management Plan (PMP) financing projections for Area 2 and the East and West Parking lots as well as 2018's Water Rate Study prepared by Springsted, for reference.

Note that the Capital Improvement, Water, Sewer and Surface Water Funds include both Area 2 and the East and West Parking Lots of the Pavement Management Plan (PMP). Council should continue to determine whether both projects should be included in financial planning for 2020.

Capital Improvement Fund

The City's Capital Improvement Fund budget incorporates expenditure estimates of \$1.8M for completing both Area 2 and the East and West Parking Lots per the City's Pavement Management Plan (PMP) within the Capital Improvement Plan (CIP). Additionally, \$225K is included for the planning and design of the St. Alban's bridge per the Council's 2019 Long-Term Financial Goals, as well as \$120K for crack sealing projects, \$100K for Water Street Trees in downtown and \$351K for small projects and equipment purchases. The Council should determine if any projects budgeted for 2020 are no longer priorities for 2020.

Revenue and other financing sources included in the budget are a newly created capital improvement levy, as well as \$1.64M in bond proceeds. As in prior years, the fund also budgets revenue arising from investment income, special assessments, parking impact fees, and rental income from the City's lease on the upper portion of City Hall.

Water Fund

Deferred major capital improvement projects are scheduled in the budget for 2020. They include water-related improvement costs for the Area 2 Pavement Management (PMP) project, as well as automation and updating of the Iron Filters at the water plant, and smaller projects such as the replacement of the windows at the Water Plant, hydrant replacements, SCADA upgrades and a new water meter reading device. The costs of these items will be funded through water usage fees and bond issuance for the PMP project.

Most notable changes in the preliminary Water Fund budget for 2020 include the following:

- The increase in charges for services relate to an increase of \$0.70 per 1,000 gallons of water used. This represents a 16% rate increase and will result in an annual increase of approximately \$42 for an 'average' household using 15,000 gallons of water per quarter.
- No change to water base rates.
- Increased Supplies expense of \$21,800 over 2019 budget related to increase in small CIP items such as the meter reader and SCADA upgrades.

- Increased Other Charges and Services expense of \$24,000 over 2019 is related to increased engineering, utilities expense and bond issuance costs related to the upcoming debt issue for Area 2.

Sewer Fund

Large capital projects scheduled for 2020 include the replacement of the 1978 Lift Station at Excelsior Boulevard, the ongoing annual sewer lining, and the Area 2 and the East and West Parking Lot Projects. The costs of these items will be funded through sewer usage fees and bond issuance for the PMP projects.

The preliminary 2020 Sewer Fund budget also reflects the following changes:

- Eighteen percent increase in usage charges to account for increased labor and infrastructure maintenance costs, as well as to prepare for the debt service on the Area 2 and East and West Parking Lot projects. This results in a \$0.97 increase per 1,000 gallons of use. For an 'average' residential sewer account this increase will be about \$58 per year.
- Increased Other Charges and Services expense of \$69,000 over 2019 is related to increased engineering, utilities expense and bond issuance costs related to the upcoming debt issue for Area 2, as well as items on the small CIP items such as televising sewer lines, replacement of the Control Panel Lift and other smaller items beneath the capitalization threshold.

Surface Water Management Fund

Large capital projects scheduled for 2020 are the Area 2 and the East and West Parking Lot Projects. The costs of these items will be funded through surface water fees and bond issuance for the PMP projects.

- Preliminary 2020 estimated revenues related to Surface Water Management have been increased to reflect a thirty-five percent increase to rates in anticipation of increased debt service costs relating to the planned PMP improvement projects. For each residential household this results in an increase of \$42 annually.

Summary of Proposed Utility Rate Increases:

Increase over 2019 for Average* Residential Household	
Water	\$ 42.14
Sewer	58.10
Surface Water	42.00
	\$ 142.25

(*assumes 15,000 gallons of water used per quarter)

Council Action: Review the preliminary 2020 budgets and provide staff with any comments, or changes.

**CITY OF EXCELSIOR
2020 BUDGET
Capital Improvement Fund**

	2015 <u>ACTUAL</u>	2016 <u>ACTUAL</u>	2017 <u>ACTUAL</u>	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2020 <u>BUDGET</u>	Percent Change	Dollar Change
REVENUE								
CURRENT AD VALOREM TAXES	-	-	-	-	-	125,800	#DIV/0!	125,800
PARKING IMPACT FEE	25,772	24,800	25,041	27,200	26,000	26,000	0.00%	-
SPECIAL ASSESSMENTS	125,880	81,228	81,895	52,089	35,000	32,500	-7.14%	(2,500)
GRANT REVENUES	50,306	-	18,205	22,351	-	-	#DIV/0!	-
INTEREST EARNINGS	22,984	24,352	7,683	11,327	16,000	15,000	-6.25%	(1,000)
INTERFUND INTEREST	-	721	491	250	250	-	-100.00%	(250)
MISCELLANEOUS REVENUE	4,543	153,949	633,057	3,835	-	-	#DIV/0!	-
TRANSFER FROM OTHER FUND	201,618	94,363	229,195	1,121,144	199,384	-	-100.00%	(199,384)
RENT - FIRE HALL	38,300	26,567	27,702	28,365	28,000	28,560	2.00%	560
RENT - LIBRARY	-	-	300	300	-	-	#DIV/0!	-
RENT - 810 EXCELSIOR BLVD.	-	5,251	18,000	16,888	-	-	#DIV/0!	-
BOND PROCEEDS	-	-	1,520,369	-	2,100,000	1,640,000	-21.90%	(460,000)
	<u>469,403</u>	<u>411,232</u>	<u>2,561,938</u>	<u>1,283,748</u>	<u>2,404,634</u>	<u>1,867,860</u>		
EXPENSE								
PROFESSIONAL SERVICES	37,794	25,151	179,383	27,152	85,000	300,000	252.94%	215,000
ENGINEERING FEES	49,944	87,428	611,136	261,374	504,000	505,250	0.25%	1,250
CAPITAL OUTLAY	473,488	141,344	1,308,487	364,890	2,065,286	1,866,750	-9.61%	(198,536)
TRANSFER TO PARK IMPROV FUND	-	25,000	25,000	25,000	27,500	-	-100.00%	(27,500)
	<u>597,784</u>	<u>278,923</u>	<u>2,124,006</u>	<u>678,416</u>	<u>2,681,786</u>	<u>2,672,000</u>		
NET INCOME (LOSS)	(128,381)	132,309	437,932	605,332	(277,152)	(804,140)		
BEGINNING FUND BALANCE	1,593,559	1,465,178	1,597,487	2,035,419	2,640,751	2,363,599		
ENDING FUND BLANCE	1,465,178	1,597,487	2,035,419	2,640,751	2,363,599	1,559,459		

**CITY OF EXCELSIOR
CAPITAL IMPROVEMENT PLAN (CIP)
2020 - 2029**

Project Year Number Project	Department/Fund	Priority	Capital Improv Fund	Park Dept - Gen Fund	Water Fund	Sewer Fund	Storm Water Fund	Parking Lot Maint Fund	Street Light Fund	Dock Fund	Total	
2020	Equipment/Minor Projects	Capital Projects	A	351,000	-	181,000	67,000	7,000	1,000	11,000	-	618,000
2020 2020-1	Crack Seal 2010/2011 Pavement Project	Capital Improv.	A	40,000	-	-	-	-	-	-	-	40,000
2020 2020-2	Crack Seal Met Council Project Streets	Capital Improv.	A	40,000	-	-	-	-	-	-	-	40,000
2020 2020-3	Crack Seal 2017 Pavement Project	Capital Improv.	A	40,000	-	-	-	-	-	-	-	40,000
2020 2020-4	Sewer Lining	Sewer Fund	A	-	-	120,000	-	-	-	-	-	120,000
2020 2020-5	2020 Pavement Management - Area 2	Multi	A	1,149,000	-	522,000	731,000	345,000	-	-	-	2,747,000
2020 2020-6	East and West Parking Lots	Multi	A	652,000	-	-	170,000	67,000	200,000	-	-	1,089,000
2020 2020-7	Replace 1978 Lift Station at Excelsior Blvd	Sewer Fund	A	-	-	300,000	-	-	-	-	-	300,000
2020 2020-8	Automate Iron Filters	Water Fund	A	-	-	200,000	-	-	-	-	-	200,000
2020 2020-9	St. Albans Bridge - Planning & Design	Capital Improv.	B	225,000	-	-	-	-	-	-	-	225,000
2020 2020-10	Water Street Tree Improvement	Cap Imp	B	100,000	-	-	-	-	-	-	-	100,000
				<u>2,597,000</u>	<u>-</u>	<u>903,000</u>	<u>1,388,000</u>	<u>419,000</u>	<u>201,000</u>	<u>11,000</u>	<u>-</u>	<u>5,519,000</u>
2021	Equipment/Minor Projects	Capital Projects	A	95,000	8,500	107,500	78,500	50,000	-	6,000	-	345,500
2021 2021-1	Paint Water Tower	Water Fund	A	-	-	250,000	-	-	-	-	-	250,000
2021 2021-2	Sewer Lining	Sewer Fund	A	-	-	-	120,000	-	-	-	-	120,000
2021 2021-3	2021 Pavement Management - Area 3	Multi	A	1,075,000	-	483,000	677,000	320,000	-	-	-	2,555,000
2021 2021-4	MCES Project	Multi	A	-	-	-	(unknown at 10/21/19)		-	-	-	-
2021 2021-5	Water Street Mill & Overlay	Multi	A	367,000	-	-	-	239,000	-	-	-	606,000
2020 2021-6	Recondition Interior / Exterior Water Tower	Water Fund	A	-	-	325,000	-	-	-	-	-	325,000
2021 2021-7	City Hall Remodel	Capital Projects	B	1,250,000	-	-	-	-	-	-	-	1,250,000
2020 2021-8	St. Albans Bridge - Construction	Capital Improv.	B	500,000	-	-	-	-	-	-	-	500,000
				<u>3,287,000</u>	<u>8,500</u>	<u>1,165,500</u>	<u>875,500</u>	<u>609,000</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>5,951,500</u>
2022	Equipment/Minor Projects	Capital Projects	A	45,000	-	72,500	55,500	15,000	-	6,000	-	194,000
2022 2022-1	Replace Highway 7 Lift Station	Sewer Fund	A	-	-	-	200,000	-	-	6,000	-	206,000
2022 2022-2	Sewer Lining	Sewer Fund	A	-	-	-	120,000	-	-	-	-	120,000
				<u>45,000</u>	<u>-</u>	<u>72,500</u>	<u>375,500</u>	<u>15,000</u>	<u>-</u>	<u>12,000</u>	<u>-</u>	<u>520,000</u>
2023	Equipment/Minor Projects	Capital Projects	A	45,000	8,500	72,500	27,500	15,000	-	6,000	-	174,500
2023 2023-1	Paint Ground Storage Tank	Water Fund	A	-	-	150,000	-	-	-	-	-	150,000
2023 2023-2	Sewer Lining	Sewer Fund	A	-	-	-	120,000	-	-	-	-	120,000
2023 2023-3	2023 Pavement Management - Area 4	Multi	A	1,282,000	-	429,000	601,000	284,000	-	-	-	2,596,000
				<u>1,327,000</u>	<u>8,500</u>	<u>651,500</u>	<u>748,500</u>	<u>299,000</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>3,040,500</u>
2024	Equipment/Minor Projects	Capital Projects	A	61,500	-	83,250	35,750	28,750	8,250	6,000	-	223,500
2024 2024-1	Sewer Lining	Sewer Fund	A	-	-	-	120,000	-	-	-	-	120,000
2024 2024-2	Replace Public Works Building	Capital Projects	A	1,250,000	-	-	-	-	-	-	-	1,250,000
				<u>1,311,500</u>	<u>-</u>	<u>83,250</u>	<u>155,750</u>	<u>28,750</u>	<u>8,250</u>	<u>6,000</u>	<u>-</u>	<u>1,593,500</u>
2025	Equipment/Minor Projects	Capital Projects	A	45,000	8,500	72,500	27,500	15,000	-	6,000	-	174,500
2025 2025-1	Crack Seal 2010/2011 Pavement Project	Capital Improv.	A	45,000	-	-	-	-	-	-	-	45,000
2025 2025-2	Crack Seal Met Council Project Street	Capital Improv.	A	45,000	-	-	-	-	-	-	-	45,000
2020 2020-1	Crack Seal 2017 Pavement Project	Capital Improv.	A	45,000	-	-	-	-	-	-	-	45,000
2025 2025-3	Replace Tank Media Iron Filters	Water Fund	A	-	-	60,000	-	-	-	-	-	60,000
2025 2025-4	Sewer Lining	Sewer Fund	A	-	-	-	120,000	-	-	-	-	120,000
2025 2025-5	2025 Pavement Management - Area 5	Multi	A	875,000	-	371,000	520,000	246,000	-	-	-	2,012,000
				<u>1,055,000</u>	<u>8,500</u>	<u>503,500</u>	<u>667,500</u>	<u>261,000</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>2,501,500</u>
2026	Equipment/Minor Projects	Capital Projects	A	52,500	-	120,000	35,000	22,500	-	6,000	-	236,000
2026 2026-1	Sewer Lining	Sewer Fund	A	-	-	-	120,000	-	-	-	-	120,000
				<u>52,500</u>	<u>-</u>	<u>120,000</u>	<u>155,000</u>	<u>22,500</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>356,000</u>
2027	Equipment/Minor Projects	Capital Projects	A	15,000	8,500	72,500	27,500	15,000	-	6,000	-	144,500
2027 2027-1	Sewer Lining	Sewer Fund	A	-	-	-	120,000	-	-	-	-	120,000
2027 2027-2	2027 Pavement Management - Area 6	Multi	A	1,298,000	-	908,000	1,272,000	601,000	-	-	-	4,079,000
				<u>1,313,000</u>	<u>8,500</u>	<u>980,500</u>	<u>1,419,500</u>	<u>616,000</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>4,343,500</u>
2028	Equipment/Minor Projects	Capital Projects	A	15,000	-	72,500	27,500	15,000	-	6,000	-	136,000
2028 2028-1	Sewer Lining	Sewer Fund	A	-	-	-	120,000	-	-	-	-	120,000
				<u>15,000</u>	<u>-</u>	<u>72,500</u>	<u>147,500</u>	<u>15,000</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>256,000</u>
2029	Equipment/Minor Projects	Capital Projects	A	859,547	45,000	973,932	474,932	216,932	11,750	76,500	-	2,658,593
2029 2029-1	Sewer Lining	Sewer Fund	A	-	-	-	120,000	-	-	-	-	120,000
2027 2027-2	2029 Pavement Management - Area 7	Multi	A	875,000	-	685,000	959,000	454,000	-	-	-	2,973,000
				<u>1,734,547</u>	<u>45,000</u>	<u>1,658,932</u>	<u>1,553,932</u>	<u>670,932</u>	<u>11,750</u>	<u>76,500</u>	<u>-</u>	<u>5,751,593</u>
			TOTALS	<u>12,737,547</u>	<u>79,000</u>	<u>6,211,182</u>	<u>7,486,682</u>	<u>2,956,182</u>	<u>221,000</u>	<u>141,500</u>	<u>-</u>	<u>29,833,093</u>

**City of Excelsior
2020 - 2029 Equipment/Minor Projects**

Year	Capital Item Description	Budget	Cap Improv.	Park Dept (Gen Fund)	Water	Sewer	StrmWtr	Prk Lot Mnt	Str Lgt	Total
	Placeholders	80,000	15,000		25,000	25,000	15,000			80,000
		194,000	45,000	-	72,500	55,500	15,000	-	6,000	194,000
2023										
	Hydrant Replacement/Auto Flushers	45,000			45,000					45,000
	Ash Tree Injections	8,500		8,500						8,500
	Street Lighting Conduit	6,000							6,000	6,000
	Water Meter Inventory Replacement	5,000			2,500	2,500				5,000
	Sidewalk Repairs and Replacement	30,000	30,000							30,000
	Placeholders	80,000	15,000		25,000	25,000	15,000			80,000
		174,500	45,000	8,500	72,500	27,500	15,000	-	6,000	174,500
2024										
	Hydrant Replacement/Auto Flushers	45,000			45,000					45,000
	Placeholders	80,000	15,000		25,000	25,000	15,000			80,000
	Sidewalk Repairs and Replacement	30,000	30,000							30,000
	Test Iron & Softener Media in tanks	2,500			2,500					2,500
	Skid Steer (replace 2014)	55,000	16,500		8,250	8,250	13,750	8,250		55,000
	Water Meter Inventory Replacement	5,000			2,500	2,500				5,000
	Street Lighting Conduit	6,000							6,000	6,000
		223,500	61,500	-	83,250	35,750	28,750	8,250	6,000	223,500
2025										
	Hydrant Replacement/Auto Flushers	45,000			45,000					45,000
	Sidewalk Repairs and Replacement	30,000	30,000							30,000
	Ash Tree Injections	8,500		8,500						8,500
	Street Lighting Conduit	6,000							6,000	6,000
	Water Meter Inventory Replacement	5,000			2,500	2,500				5,000
	Placeholders	80,000	15,000		25,000	25,000	15,000			80,000
		174,500	45,000	8,500	72,500	27,500	15,000	-	6,000	174,500
2026										
	Replace Softener Filter Media	40,000			40,000					40,000
	Hydrant Replacement/Auto Flushers	45,000			45,000					45,000
	Water Meter Inventory Replacement	5,000			2,500	2,500				5,000
	Placeholders	80,000	15,000		25,000	25,000	15,000			80,000
	Sidewalk Repairs and Replacement	30,000	30,000							30,000
	Pickup (replace 2014)	30,000	7,500		7,500	7,500	7,500			30,000
	Street Lighting Conduit	6,000							6,000	6,000
		236,000	52,500	-	120,000	35,000	22,500	-	6,000	236,000
2027										
	Hydrant Replacement/Auto Flushers	45,000			45,000					45,000

City of Excelsior
2020 - 2029 Equipment/Minor Projects

Year	Capital Item Description	Budget	Cap Improv.	Park Dept (Gen Fund)	Water	Sewer	StrmWtr	Prk Lot Mnt	Str Lgt	Total
	Ash Tree Injections	8,500		8,500						8,500
	Placeholders	80,000	15,000		25,000	25,000	15,000			80,000
	Sidewalk Repairs and Replacement	30,000	30,000							30,000
	Placeholders	80,000			25,000	25,000	15,000			65,000
		80,000	-	-	25,000	25,000	15,000	-	-	65,000
2028										
	Hydrant Replacement/Auto Flushers	45,000			45,000					45,000
	Water Meter Inventory Replacement	5,000			2,500	2,500				5,000
	Placeholders	80,000	15,000		25,000	25,000	15,000			80,000
	Street Lighting Conduit	6,000							6,000	6,000
		136,000	15,000	-	72,500	27,500	15,000	-	6,000	136,000
	Ten Year Total (2018-2028)	2,658,593	859,547	45,000	973,932	474,932	216,932	11,750	76,500	2,658,593
	Ten year total	2,658,593	859,547	45,000	973,932	474,932	216,932	11,750	76,500	2,658,593
	Ten year average	265,859	85,955	4,500	97,393	47,493	21,693	1,175	7,650	265,859

**CITY OF EXCELSIOR
2020 BUDGET
Water Fund**

	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Percent Change	Dollar Change
Revenue								
Charges for Services	504,698	544,305	520,314	519,507	571,392	647,010	13.23%	75,619
Interest Earnings	9,184	6,191	5,907	8,127	6,500	6,500	0.00%	-
Other Revenue	92,877	64,024	107,536	46,637	19,700	23,400	18.78%	3,700
Transfer from Other Fund	-	-	-	-	75,000	-	-100.00%	(75,000)
	<u>606,759</u>	<u>614,520</u>	<u>633,757</u>	<u>574,271</u>	<u>672,592</u>	<u>676,910</u>		
Expenses								
Personnel	122,220	137,715	120,531	88,828	147,772	152,664	3.31%	4,892
Supplies	62,212	71,853	49,226	58,910	55,800	77,600	39.07%	21,800
Other Charges & Services	125,141	97,597	85,257	114,397	107,220	131,370	22.52%	24,150
Transfer Out	11,000	10,000	9,000	-	-	-	#DIV/0!	-
Depreciation	100,698	135,254	139,447	137,956	149,400	155,000	3.75%	5,600
Debt Service/Issuance Costs	41,580	40,367	101,942	82,927	130,285	108,442	-16.77%	(21,843)
	<u>462,851</u>	<u>492,787</u>	<u>505,403</u>	<u>483,018</u>	<u>590,477</u>	<u>625,076</u>		
Change in Net Position	143,907	121,733	128,354	91,253	82,115	51,834		
Beginning Net Position	1,895,989	2,039,896	2,161,629	2,288,793	2,380,046	2,462,161		
Ending Net Position	<u>2,039,896</u>	<u>2,161,629</u>	<u>2,289,983</u>	<u>2,380,046</u>	<u>2,462,161</u>	<u>2,513,996</u>		
Non-Expensed Cash Transactions								
Capital Outlay	545,600	73,757	1,051,095	771,850	1,511,286	886,500		
Debt Service - Principal	116,659	108,572	120,344	127,334	224,721	230,207		
	<u>662,259</u>	<u>182,329</u>	<u>1,171,439</u>	<u>899,184</u>	<u>1,736,007</u>	<u>1,116,707</u>		
Fund Cash Position at Year End	406,188	519,048	1,557,196	848,671				

**CITY OF EXCELSIOR
2020 BUDGET
Sewer Fund**

	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Percent Change	Dollar Change
Revenue								
Charges for Services	582,024	577,451	542,615	543,805	552,440	623,500	12.86%	71,060
Interest Earnings	14,084	13,078	5,627	7,639	8,500	7,500	-11.76%	(1,000)
Other Revenue	4,921	39,111	56,472	6,339	3,836	51,000	1229.51%	47,164
	<u>601,029</u>	<u>629,640</u>	<u>604,714</u>	<u>557,785</u>	<u>564,776</u>	<u>682,000</u>	20.76%	117,224
Expenses								
Personnel	128,015	147,074	133,843	97,787	161,414	165,390	2.46%	3,976
Supplies	6,707	8,365	5,515	13,935	9,900	10,300	4.04%	400
Other Charges & Services	204,057	263,316	257,592	215,023	244,565	313,986	28.39%	69,421
Transfer Out	11,000	10,000	9,000	-	-	-	#DIV/0!	-
Depreciation	68,932	75,791	81,732	81,429	85,000	87,000	2.35%	2,000
Debt Service	11,785	11,314	17,538	23,698	23,660	54,046	128.43%	30,386
	<u>430,496</u>	<u>515,860</u>	<u>505,220</u>	<u>431,872</u>	<u>524,539</u>	<u>630,722</u>		
Change in Net Position	170,533	113,779	99,494	125,913	40,237	51,278		
Beginning Net Position	<u>2,321,627</u>	<u>2,492,160</u>	<u>2,605,939</u>	<u>2,704,466</u>	<u>2,830,379</u>	<u>2,870,616</u>		
Ending Net Position	<u>2,492,160</u>	<u>2,605,939</u>	<u>2,705,433</u>	<u>2,830,379</u>	<u>2,870,616</u>	<u>2,921,894</u>		
Non-Expensed Cash Transactions								
Capital Outlay	376,092	75,344	227,906	320,929	1,015,986	1,343,000		
Debt Service - Principal	24,155	25,157	24,866	25,577	53,288	54,998		
	<u>400,247</u>	<u>100,501</u>	<u>252,772</u>	<u>346,506</u>	<u>1,069,274</u>	<u>1,397,998</u>		
Fund Cash Position at Year End	936,522	796,634	1,348,280	1,155,263				

**CITY OF EXCELSIOR
2020 BUDGET
Surface Water Management Fund**

	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget	Percent Change	Dollar Change
Revenue								
Charges for Services	153,091	165,395	160,079	148,587	168,065	204,000	21.38%	35,935
Interest Earnings	3,513	2,567	1,110	1,542	1,000	1,500	50.00%	500
Other Revenue	3,550	3,431	3,219	3,297	3,000	2,900	-3.33%	(100)
	<u>160,154</u>	<u>171,393</u>	<u>164,408</u>	<u>153,426</u>	<u>172,065</u>	<u>208,400</u>		
Expenses								
Personnel	71,026	67,026	62,751	53,922	75,672	75,983	0.41%	311
Supplies	5,102	1,147	2,492	2,395	3,900	10,900	179.49%	7,000
Other Charges & Services	15,918	18,375	22,572	25,985	50,550	31,250	-38.18%	(19,300)
Depreciation	16,232	18,863	18,862	18,659	19,000	20,000	5.26%	1,000
Debt Service	10,946	10,425	12,399	14,301	14,399	30,877	114.44%	16,478
Transfers Out	1,200	800	400	-	-	-		
	<u>120,423</u>	<u>116,636</u>	<u>119,476</u>	<u>115,262</u>	<u>163,521</u>	<u>169,010</u>		
Change in Net Position	39,731	54,757	44,932	38,164	8,544	39,390		
Beginning Net Position	270,769	310,500	365,257	409,984	448,148	456,692		
Ending Net Position	<u>310,500</u>	<u>365,257</u>	<u>410,189</u>	<u>448,148</u>	<u>456,692</u>	<u>496,082</u>		
Non-Expensed Cash Transactions								
Capital Outlay	16,372	30,600	151,174	39,179	595,786	412,000		
Debt Service - Principal	22,438	22,438	23,098	23,757	35,218	36,277		
	<u>38,810</u>	<u>53,038</u>	<u>174,272</u>	<u>62,936</u>	<u>631,004</u>	<u>448,277</u>		
Fund Cash Position at Year End	406,188	144,234	291,746	258,791				

City of Excelsior, Minnesota
Pavement Management Plan - Financing Projections (ESTIMATES ONLY)

AREA 2	Surface	Water	Sanitary	Storm	Total
Area 2 Costs	\$ 1,149,000	\$ 522,000	\$ 731,000	\$ 345,000	2,747,000
Financing Costs	8,618	3,915	5,483	2,588	20,603
Total Costs (Rounded)	1,157,618	525,915	736,483	347,588	2,767,603

Repayment Term	15	15	15	15	
Interest Rate	2.50%	2.50%	2.50%	2.50%	
Annual Payment (Rounded)	93,000	42,000	59,000	28,000	222,000
Assessment Percentage	0%	0%	0%	0%	
City Portion of Costs (Rounded)	93,000	42,000	59,000	28,000	222,000

AREA 3	Surface	Water	Sanitary	Storm	Total
Area 3 Costs	\$ 1,075,000	\$ 483,000	\$ 677,000	\$ 320,000	2,555,000
Financing Costs	8,063	3,623	5,078	2,400	19,163
Total Costs (Rounded)	1,083,063	486,623	682,078	322,400	2,574,163

Repayment Term	15	15	15	15	
Interest Rate	2.50%	2.50%	2.50%	2.50%	
Annual Payment (Rounded)	87,000	39,000	55,000	26,000	207,000
Assessment Percentage	0%	0%	0%	0%	
City Portion of Costs (Rounded)	87,000	39,000	55,000	26,000	207,000

Water Street - Mill and Overlay	Surface	Water	Sanitary	Storm	Total
Water Street - Mill and Overlay	\$ 367,000	\$ -	\$ -	\$ 239,000	606,000
Financing Costs	2,753	-	-	1,793	4,545
Total Costs (Rounded)	369,753	-	-	240,793	610,545

Repayment Term	15	15	15	15	
Interest Rate	2.50%	2.50%	2.50%	2.50%	
Annual Payment (Rounded)	30,000	-	-	19,000	49,000
Assessment Percentage	0%	0%	0%	0%	
City Portion of Costs (Rounded)	30,000	-	-	19,000	49,000

Parking Lots	Surface	Water	Sanitary	Storm	Total
Parking Lots	\$ 652,000	\$ -	\$ 270,000	\$ 82,000	1,004,000
Financing Costs	4,890	-	2,025	615	7,530
Total Costs (Rounded)	656,890	-	272,025	82,615	1,011,530

Repayment Term	15	15	15	15	
Interest Rate	2.50%	2.50%	2.50%	2.50%	
Annual Payment (Rounded)	53,000	-	22,000	7,000	82,000
Assessment Percentage	0%	0%	0%	0%	
City Portion of Costs (Rounded)	53,000	-	22,000	7,000	82,000

TOTAL CITY PORTION	Surface	Water	Sanitary	Storm	Total
Area 2 Costs	93,000	42,000	59,000	28,000	222,000
Area 3 Costs	87,000	39,000	55,000	26,000	207,000
Water Street - Mill and Overlay	30,000	-	-	19,000	49,000
Parking Lots	53,000	-	22,000	7,000	82,000
Total	263,000	81,000	136,000	80,000	560,000



Springsted Incorporated
380 Jackson Street, Suite 300
Saint Paul, MN 55101-2887
Tel: 651-223-3000
Fax: 651-223-3002
www.springsted.com

See Page 3 - 5 for Water Rate Recommendations

MEMORANDUM

TO: City of Excelsior, Minnesota

FROM: Patty Kettles, Consultant
Doug Green, Client Representative

DATE: November 12, 2018

SUBJECT: Water Rate Study

The City of Excelsior engaged Springsted Incorporated to conduct an analysis and review of the financial performance of the City's Water Fund, and to recommend rate adjustments necessary for the Fund to maintain revenues sufficient to meet operating costs, capital outlays, maintenance, debt service, and cash reserves. The purpose of this memorandum is to present our findings and recommendations.

Historical Performance

Our analysis began with a look at the Fund's recent financial performance, paying particular attention to income levels and cash reserves.

The Water Fund's actual operating income and Change in Net Position have been positive over the past four years and are projected to be positive in the City's FY2018 budget. Ending cash has increased from \$675,278 at the end of FY2014 to \$1,557,196 at the end of FY2017 with the majority of the increase due to the issuance of bonds in 2017 for capital projects. The 2018 cash balance is anticipated to be \$1,445,594 with the 2019 cash balance projected to decrease to \$543,350 due to the water utility work related to the Pavement Management Projects, i.e. spending of the bond proceeds.

The historical performance of these funds is shown on the following pages.

Water Fund Historical Financial Performance

	2014	2015	2016	2017	2018
	Actual	Actual	Actual	Actual	Budget
Operating Revenues					
Charges for Service	515,389	530,411	544,305	520,314	538,125
Other Revenue					
Total Operating Revenue	515,389	530,411	544,305	520,314	538,125
Operating Expenses					
Personnel Services	121,658	122,220	137,715	120,531	146,725
Supplies	76,750	62,213	71,853	51,980	51,100
Other Services and Charges	115,182	125,141	97,597	85,257	106,760
Depreciation	89,445	100,698	135,254	139,447	140,000
Total Operating Expenses	403,035	410,272	442,419	397,215	444,585
Operating Income (Loss)	112,354	120,139	101,886	123,099	93,540
Non Operating Revenues (Expenses)					
Investment Income	16,145	9,184	6,194	5,907	6,500
Other Income	11,191	15,585	50,644	6,478	14,840
Debt Interest	(40,287)	(41,580)	(40,368)	(62,187)	(94,069)
Bond Issuance Costs				(37,001)	(899)
Total Non Operating Revenues (Expenses)	(12,951)	(16,811)	16,470	(86,803)	(73,628)
Net Income (Loss) Before Transfers	99,403	103,328	118,356	36,296	19,912
Operating Transfers					
Transfers In (Capital Contributions)	61,794	51,579	13,380	101,058	
Transfers (Out)	(12,000)	(11,000)	(10,000)	(9,000)	(8,000)
Total Operating Transfers	49,794	40,579	3,380	92,058	(8,000)
Change in Net Position	149,197	143,907	121,736	128,354	11,912
Beginning Cash & Investments	658,808	675,278	406,188	519,048	1,557,196
Net Income	149,197	143,907	121,736	128,354	11,912
Depreciation	89,445	100,698	135,254	139,447	140,000
Acquisition and Construction of Assets	(836,857)	(545,600)	(73,757)	(1,051,095)	(136,182)
Proceeds from New Long-Term Debt	587,944	196,841	52,576	1,865,520	
Payments on Long-Term Debt	(116,659)	(108,572)	(123,259)	(120,344)	(127,332)
Adjustment to Accruals	143,400	(56,364)	310	76,266	-
Ending Cash Balance	675,278	406,188	519,048	1,557,196	1,445,594

Assumptions

In our projections of future performance, we used a number of assumption based on historical trends, information provided by the City, discussions with the City, and our significant experience in preparing rate studies. These assumptions included:

- The capital improvements planned by the City to be approved with the 2019 budget was incorporated into the study.
- Capital would be funded with cash in the fund, and with bonding in the years 2019, 2020, 2021, 2023 and 2025 to finance the Pavement Management Program and also in a couple years to finance Capital Equipment/Minor Projects.
- \$786,000 of the 2017 Bond proceeds would be spent on Pavement Management projects
- Operating expenses would increase 3% - 4% each year based on historical trends
- Cash reserves would earn 1.0% interest each year

Cash Reserves

Springsted's clients often ask about the amount of cash that should be available in their utility funds. Utility funds need sufficient cash to pay current expenses, together with principal and interest on outstanding bonds. This would typically require each utility fund to have a minimum of three months of anticipated operating expenses and one year's total debt service in cash at the end of each year. However, this does not provide any level of cash reserves for unforeseen expenses, emergencies, or to cover any shortfalls in the budget. The amount of cash reserves that a utility fund should have is dependent on a number of factors, including:

- Reserves that are legally required
- Variability of the annual revenue stream
- Variability in annual expenses
- Variability in rainfall
- Age and condition of fixed assets
- Anticipated future capital needs
 - Capital improvement plan
 - Regulatory compliance
 - Asset renewal and replacement
- Replacement reserve
- Tolerance for risk
- Number of relatively large customers

Unfortunately, there are no prescribed formulas, and the amount of reserves varies considerably. We encourage the City to maintain a minimum cash balance in the Water Fund of at least three months of anticipated operating expenses at the end of each fiscal year and one year's debt service at the end of each fiscal year.

Projected Water Utility Rates

The financial projections, based on the assumptions previously stated, indicate that increases of 18.5% in each of the next three years followed by a 10% increase in 2022 and 2.0% increases each year thereafter would enable the Water Utility to fund its operations, capital program and maintain the recommended level of cash reserves over the

next 10 years in all years. The detailed financial projections are shown on the following page followed by proposed rates for "In Town" and Out-of-Town" water users and examples of monthly water bills for various water customers.

Water Utility – Financial Projections

Projected Rate Adjustment	Projected Change 2019-2028	Calculate	18.50%	18.50%	18.50%	10.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Operating Revenues												
Charges for Service	0.00%	538,125	637,678	755,649	895,444	984,988	1,004,688	1,024,781	1,045,277	1,066,183	1,087,506	1,109,256
Other Revenue	0.00%	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue		538,125	637,678	755,649	895,444	984,988	1,004,688	1,024,781	1,045,277	1,066,183	1,087,506	1,109,256
Operating Expenses												
Personnel Services	4.00%	146,725	130,883	136,118	141,563	147,226	153,115	159,239	165,609	172,233	179,122	186,287
Supplies	2.00%	51,100	55,800	56,916	58,054	59,215	60,400	61,608	62,840	64,097	65,379	66,686
Other Services and Charges	3.00%	106,760	107,220	110,437	113,750	117,162	120,677	124,297	128,026	131,867	135,823	139,898
Existing Depreciation		140,000	143,321	140,455	137,645	134,893	132,195	129,551	126,960	124,421	121,932	119,494
New Depreciation		-	6,079	71,098	96,965	121,198	124,398	150,365	154,281	170,581	176,948	180,548
Total Operating Expenses		444,585	449,382	586,121	644,942	700,891	715,182	775,424	791,997	833,780	856,152	873,461
Operating Income (Loss)		93,540	188,297	169,527	250,502	284,096	289,506	249,357	253,280	232,403	231,354	235,796
Non Operating Revenues (Expenses)												
Investment Income	1.00%	6,500	6,500	5,434	5,859	6,323	6,916	7,227	7,781	7,592	7,549	8,393
Other Income		14,840	27,700	27,700	27,700	27,700	27,700	27,700	27,700	27,700	27,700	27,700
Debt Interest - Existing		(94,069)	(82,023)	(75,192)	(67,985)	(60,427)	(58,509)	(43,553)	(37,625)	(32,473)	(27,589)	(24,009)
Debt Interest - New		-	-	(36,000)	(44,491)	(72,473)	(69,318)	(92,096)	(87,913)	(99,615)	(94,607)	(89,394)
Bond Issuance Costs		(899)	(48,261)	-	(25,000)	-	(25,000)	-	(25,000)	-	-	-
Total Non Operating Revenues (Expenses)		(73,628)	(96,084)	(78,058)	(103,917)	(98,877)	(118,211)	(100,722)	(115,058)	(96,795)	(86,947)	(77,311)
Net Income (Loss) Before Transfers		19,912	92,213	91,469	146,585	185,219	171,295	148,636	138,222	135,607	144,408	158,485
Operating Transfers												
Transfers In		-	-	-	-	-	-	-	-	-	-	-
Transfers (Out)		(8,000)	-	-	-	-	-	-	-	-	-	-
Total Operating Transfers		(8,000)	-	-	-	-	-	-	-	-	-	-
Net Income (Loss)		11,912	92,213	91,469	146,585	185,219	171,295	148,636	138,222	135,607	144,408	158,485
Beginning Cash & Investments		1,557,196	1,445,594	543,350	585,941	632,264	691,618	722,720	778,071	759,227	754,935	839,280
Net Income		11,912	92,213	91,469	146,585	185,219	171,295	148,636	138,222	135,607	144,408	158,485
Depreciation		140,000	149,400	211,552	234,610	256,090	256,593	279,915	281,241	295,002	298,880	300,041
Amortization		-	-	-	-	-	-	-	-	-	-	-
Acquisition and Construction of Assets		(136,182)	(1,818,286)	(388,000)	(698,000)	(48,000)	(575,000)	(58,750)	(435,000)	(95,500)	(54,000)	(48,000)
Proceeds from New Long-Term Debt		-	900,000	388,000	669,000	-	521,000	-	321,000	-	-	-
Payments on New Long-Term Debt		-	(30,224)	(66,065)	(89,513)	(92,668)	(111,697)	(115,879)	(129,936)	(134,943)	(140,156)	
Payments on Existing Long-Term Debt		(127,332)	(225,570)	(230,207)	(239,807)	(244,443)	(250,117)	(202,754)	(208,428)	(209,465)	(170,000)	(170,000)
Ending Cash Balance		1,445,594	543,350	585,941	632,264	691,618	722,720	778,071	759,227	754,935	839,280	939,650
Minimum Cash Balance												
For ongoing operations	3	76,146	74,995	93,642	102,583	111,200	114,647	123,877	127,689	134,695	139,318	143,355
For debt service	12	307,593	371,623	418,348	466,856	470,612	450,100	449,846	471,488	427,139	423,559	424,372
Minimum Cash Balance Target		383,739	446,618	511,990	569,439	581,812	564,747	573,723	599,177	561,834	562,877	567,727
Amount Over (Under) Target		1,061,855	96,732	73,951	62,825	109,805	157,974	204,348	160,049	193,101	276,402	371,923

Projected Water Rates – In Town Rates

Water Rates	2018	2019	2020	2021	2022	2023	2025	2026	2027	2028
Proposed Rate Increase	NA	18.50%	18.50%	18.50%	10.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Residential (Billed Quarterly) - In Town Rates										
Fixed Charge Per Meter	\$ 30.25	\$ 35.85	\$ 42.48	\$ 50.34	\$ 55.37	\$ 56.48	\$ 58.76	\$ 59.93	\$ 61.13	\$ 62.36
Volume Charge - per 1,000/ 0-20,000 gallons	4.39	5.20	6.16	7.30	8.04	8.20	8.53	8.70	8.87	9.05
Volume Charge - per 1,000/ 21,000-40,000 gallons	5.49	6.51	7.71	9.14	10.05	10.25	10.66	10.88	11.09	11.32
Volume Charge - per 1,000/ Over 40,000 gallons	8.23	9.75	11.56	13.69	15.06	15.37	15.99	16.31	16.63	16.96
Commercial Properties with Greenspace Areas and without Irrigation Meters - In Town Rates										
Base Rate	\$ 30.25	\$ 35.85	\$ 42.48	\$ 50.34	\$ 55.37	\$ 56.48	\$ 58.76	\$ 59.93	\$ 61.13	\$ 62.36
Volume Charge - per 1,000/ 0-20,000 gallons	4.39	5.20	6.16	7.30	8.04	8.20	8.53	8.70	8.87	9.05
Volume Charge - per 1,000/ 21,000-40,000 gallons	5.49	6.51	7.71	9.14	10.05	10.25	10.66	10.88	11.09	11.32
Volume Charge - per 1,000/ Over 40,000 gallons	8.23	9.75	11.56	13.69	15.06	15.37	15.99	16.31	16.63	16.96
Commercial Properties with Greenspace Areas and with Irrigation Meters or without Greenspace Areas - In Town Rate										
Base Rate	\$ 30.25	\$ 35.85	\$ 42.48	\$ 50.34	\$ 55.37	\$ 56.48	\$ 58.76	\$ 59.93	\$ 61.13	\$ 62.36
Volume Charge - Every 1,000 gallons	4.39	5.20	6.16	7.30	8.04	8.20	8.53	8.70	8.87	9.05
Irrigation Meters - In Town Rates										
Fixed Charge Per Meter	\$ 30.25	\$ 35.85	\$ 42.48	\$ 50.34	\$ 55.37	\$ 56.48	\$ 58.76	\$ 59.93	\$ 61.13	\$ 62.36
Volume Charge - per 1,000/ 0-20,000 gallons	5.49	6.51	7.71	9.14	10.05	10.25	10.66	10.88	11.09	11.32
Volume Charge - per 1,000/ 21,000-40,000 gallons	8.23	9.75	11.56	13.69	15.06	15.37	15.99	16.31	16.63	16.96

Projected Average Residential Quarterly Water Bill (12,000 gallons/quarter)

	2018	2019	2020	2021	2022	2023	2025	2026	2027	2028
Fixed Charge	\$ 30.25	\$ 35.85	\$ 42.48	\$ 50.34	\$ 55.37	\$ 56.48	\$ 58.76	\$ 59.93	\$ 61.13	\$ 62.36
Volume Charge (based on 12,000 gal.)	\$ 52.68	\$ 62.43	\$ 73.97	\$ 87.66	\$ 96.43	\$ 98.35	\$ 102.33	\$ 104.37	\$ 106.46	\$ 108.59
Total Quarterly Water Bill	\$ 82.93	\$ 98.27	\$ 116.45	\$ 138.00	\$ 151.80	\$ 154.83	\$ 161.09	\$ 164.31	\$ 167.59	\$ 170.95
Change per quarter		\$ 15.34	\$ 18.18	\$ 21.54	\$ 13.80	\$ 3.04	\$ 3.16	\$ 3.22	\$ 3.29	\$ 3.35
Change per month		\$ 5.11	\$ 6.06	\$ 7.18	\$ 4.60	\$ 1.01	\$ 1.05	\$ 1.07	\$ 1.10	\$ 1.12

Other Projected In-Town User Bills

Residential User - In Town - 45,000 gal./quarter	269.00	318.77	377.74	447.62	492.38	502.23	522.52	532.97	543.63	554.50
Commercial User - In Town - 50,000 gal/quarter	310.15	367.53	435.52	516.09	567.70	579.05	602.45	614.50	626.79	639.32
Commercial User - In Town - 150,000 gal/quarter	1,133.15	1,342.78	1,591.20	1,885.57	2,074.13	2,115.61	2,201.08	2,245.10	2,290.00	2,335.80

Projected Water Rates – Out-of-Town Rates

Water Rates	2018	2019	2020	2021	2022	2023	2025	2026	2027	2028
Proposed Rate Increase	NA	18.50%	18.50%	18.50%	10.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Residential (Billed Quarterly) - Out-of-Town Rates										
Fixed Charge Per Meter	\$ 36.33	\$ 43.05	\$ 51.02	\$ 60.45	\$ 66.50	\$ 67.83	\$ 70.57	\$ 71.98	\$ 73.42	\$ 74.89
Volume Charge - per 1,000/ 0-20,000 gallons	4.69	5.56	6.59	7.80	8.58	8.76	9.11	9.29	9.48	9.67
Volume Charge - per 1,000/ 21,000-40,000 gallons	5.87	6.96	8.24	9.77	10.74	10.96	11.40	11.63	11.86	12.10
Volume Charge - per 1,000/ Over 40,000 gallons	8.79	10.42	12.34	14.63	16.09	16.41	17.07	17.42	17.76	18.12
Commercial Properties with Greenspace Areas and without Irrigation Meters - Out-of-Town Rates										
Base Rate	\$ 36.33	\$ 43.05	\$ 51.02	\$ 60.45	\$ 66.50	\$ 67.83	\$ 70.57	\$ 71.98	\$ 73.42	\$ 74.89
Volume Charge - per 1,000/ 0-20,000 gallons	4.69	5.56	6.59	7.80	8.58	8.76	9.11	9.29	9.48	9.67
Volume Charge - per 1,000/ 21,000-40,000 gallons	5.87	6.96	8.24	9.77	10.74	10.96	11.40	11.63	11.86	12.10
Volume Charge - per 1,000/ Over 40,000 gallons	8.79	10.42	12.34	14.63	16.09	16.41	17.07	17.42	17.76	18.12
Commercial Properties with Greenspace Areas and with Irrigation Meters or without Greenspace Areas - Out-of-Town Rate										
Base Rate	\$ 36.33	\$ 43.05	\$ 51.02	\$ 60.45	\$ 66.50	\$ 67.83	\$ 70.57	\$ 71.98	\$ 73.42	\$ 74.89
Volume Charge - Every 1,000 gallons	4.69	5.56	6.59	7.80	8.58	8.76	9.11	9.29	9.48	9.67
Irrigation Meters - Out-of-Town Rates										
Fixed Charge Per Meter	\$ 36.33	\$ 43.05	\$ 51.02	\$ 60.45	\$ 66.50	\$ 67.83	\$ 70.57	\$ 71.98	\$ 73.42	\$ 74.89
Volume Charge - per 1,000/ 0-20,000 gallons	5.87	6.96	8.24	9.77	10.74	10.96	11.40	11.63	11.86	12.10
Volume Charge - per 1,000/ 21,000-40,000 gallons	8.79	10.42	12.34	14.63	16.09	16.41	17.07	17.42	17.76	18.12

Projected Out-of-Town User Bills

Residential User - Out-of-Town - 12,000 gal./quarter	92.61	109.74	130.05	154.10	169.51	172.90	179.89	183.49	187.16	190.90
Residential User - Out-of-Town - 45,000 gal./quarter	291.48	345.40	409.30	485.02	533.53	544.20	566.18	577.51	589.06	600.84
Commercial User - Out-of-Town - 50,000 gal/quarter	335.43	397.48	471.02	558.16	613.97	626.25	651.55	664.58	677.88	691.43
Commercial User - Out-of-Town - 150,000 gal/quarter	1,214.43	1,439.10	1,705.33	2,020.82	2,222.90	2,267.36	2,358.96	2,406.14	2,454.26	2,503.35

Cities often like to know what other communities are charging for the same services. Rates charged vary across communities based on the life cycle of each system's assets. Communities that have recently updated or upgraded their water or sewer systems typically have higher rates than those who have not. The rates for six of Excelsior's neighbors are shown in the tables below.

Water Rates

Excelsior Proposed 2019 Water Rates	
Quarterly-Residential Base Rate-In Town	\$35.85
0 - 20,000 gallons	\$5.20
20,001 - 40,000 gallons	\$6.51
>40,001 gallons	\$9.75
Quarterly-Commercial w/o Irrigation Meter	
Base Rate-In Town	\$35.85
0 - 20,000 gallons	\$5.20
20,001 - 40,000 gallons	\$6.51
>40,001 gallons	\$9.75

Tonka Bay	
Quarterly-Residential & Commercial Flat Rate	\$32.50
0-15,999 gallons	\$5.00
16,000-30,999 gallons	\$5.50
31,000-45,999 gallons	\$6.00
> 46,000 gallons	\$6.66
Spring Park	
Quarterly-Residential & Commercial Flat Rate	\$12.00
0 - 8,999 gallons	\$2.50
9,000 - 17,999 gallons	\$3.75
>18,000 gallons	\$5.00
Wayzata	
Monthly-Variou Water Meter Sizes Fixed	
3/4"-4"	\$9.35-\$130.65
Residential	
0-6,000 gallons	\$1.90
>6,000 gallons	\$2.35
Commercial	
<25,000 gallons	\$1.90
>25,000 gallons	\$2.05
Minnetrista	
Quarterly-Residential Flat Rate	\$27.33
<25,000 gallons	\$3.53
25,001 to 50,000 gallons	\$4.40
>50,001 gallons	\$5.64
Quarterly-Commercial Flat Rate	\$27.33
< 80,000 gallons	\$3.74
80,001 to 150,000 gallons	\$4.37
150,001 and over	\$6.13
Shorewood	
Quarterly for the first 5,000 gallons.	\$18.35
5,000 to 50,000 gallons.	\$3.10
>50,000 gallons	\$4.46
Mound	
Quarterly-Residential Base Rate	\$56.73
1,000 - 5,000 gallons	\$4.92
5,001 - 25,000 gallons	\$5.66
>25,001 gallons	\$6.50
Quarterly-Commercial Base Rate	\$18.91
1,000 - 2,000 gallons	\$4.92
2,001 - 15,000 gallons	\$5.66
>15,001 gallons	\$6.50