
Annual Water Tap Fee Report

Water Utilities Advisory Board

March 2, 2022



WATER UTILITIES
LEE'S SUMMIT

Safe and Reliable, Now and for Future Generations

FY 2020-21 WATER TAP FEE FINANCIAL STATUS



- 646.67 equivalent residential units sold
- Financial Status FY 2020 - 21
 - Total Revenue: \$2,348,151
 - Total Expenditures: 2,795,799
 - Net Gain(Loss): (447,648)
 - Fund balance: \$11,662,373
 - Final Payment of KC Phase III Jackson Cass \$4.4 in FY22.

FY 2020-21 WATER TAP FEE PROJECT STATUS



• Ongoing Projects	
– KCMO Water Supply Acquisition	\$234,510
– South Terminal Transmission Main*	1,436,538
– Interconnect – Tri County Water	20,358
– Colbern Road	149
– US50 Hwy – Harris to Woodlawn*	111,486
– Sampson Road upsizing*	<u>533,440</u>
Total	\$2,336,481

* Completed in FY22

Proposed Water Tap Fee Project Changes



- Water Master Plan underway that may identify additional projects, no recommended changes at this time
- Update of underlying assumptions and potential revisions to the methodology to be presented to the Board at a later date

STAFF RECOMMENDATIONS



- Utilize 470 residential equivalent units for growth projection for (FY2022-23).
- Effective July 1, 2022, Increase the residential equivalent tap fee by 2.0% for a total amount of \$3,730.

Water Tap Fee Model



Fiscal Year	PRIOR YEARS	2020 ACTUAL	2021 ACTUAL	2022	2023	2024	2025	2030	2035	2040	Total
Estimated Cumulative Taps	14,511	17,155	17,802	18,246	18,716	19,186	19,656	2,250	695	0	
REVENUES:											
Bond Proceeds	5,510,000							-	-	-	5,510,000
KC Share of South Terminal	4,053,913							-	-	-	4,053,913
KC Financing of Phase I	6,326,065							-	-	-	6,326,065
Interest Income	3,758,735	353,861	35,829	174,936	105,145	96,501	115,257	777,255	448,224	6,002	6,204,194
Other Revenue	81,569							-	-	-	1,939,220
Tap Fees	43,419,695	2,061,961	2,312,325	1,622,893	1,753,137	1,788,388	1,825,989	9,294,750	3,075,800	-	70,276,382
Base Charge	3,300,010							-	-	-	3,300,010
TOTAL REVENUE	<u>66,449,986</u>	<u>2,415,822</u>	<u>2,348,154</u>	<u>1,797,829</u>	<u>1,858,282</u>	<u>1,884,889</u>	<u>1,941,246</u>	<u>10,072,005</u>	<u>3,524,024</u>	<u>6,002</u>	<u>97,609,783</u>
EXPENSES:											
Capital Projects	45,756,307	551,351	2,336,481	6,450,554	2,434,510	634,510	234,510	7,839,912	15,069,000	-	81,307,136
Debt Service	-										
KCMO payment for Phase I	1,090,065							-	-	-	1,090,065
KCMO - Refinance	6,861,103							-	-	-	6,861,103
Other Debt	259,428							-	-	-	259,428
Debt Service 2002/2012 Bonds	6,039,876	653,147	459,318	-	-	-	-	-	-	-	8,223,392
TOTAL EXPENSES	<u>60,006,778</u>	<u>1,204,498</u>	<u>2,795,799</u>	<u>6,450,554</u>	<u>2,434,510</u>	<u>634,510</u>	<u>234,510</u>	<u>7,839,912</u>	<u>15,069,000</u>	<u>-</u>	<u>97,741,124</u>
Revenues over/(under) Expenses	<u>6,443,208</u>	<u>1,211,324</u>	<u>(447,645)</u>	<u>(4,652,726)</u>	<u>(576,228)</u>	<u>1,250,379</u>	<u>1,706,735</u>	<u>2,232,093</u>	<u>(11,544,976)</u>	<u>6,002</u>	<u>(131,341)</u>
Beginning Balance	<u>215,000</u>	<u>10,898,701</u>	<u>12,110,025</u>	<u>11,662,380</u>	<u>7,009,654</u>	<u>6,433,426</u>	<u>7,683,805</u>	<u>9,390,540</u>	<u>11,622,634</u>	<u>77,657</u>	<u>215,000</u>
Ending Balance	6,658,208	12,110,025	11,662,380	7,009,654	6,433,426	7,683,805	9,390,540	11,622,634	77,657	83,659	83,659



DISCUSSION

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Proposed WUAB Motion



I move to recommend City Council approval to amend the residential equivalent unit water tap fee to \$3,730 effective July 1, 2022 and utilizing 470 residential equivalent units as the growth projection.