



City of Clearwater, FL

FY 2024 Stormwater Revenue Sufficiency Analysis – Draft Report

August 20, 2024





August 14, 2024

Mr. Jay Ravins
Finance Director
City of Clearwater
100 S. Myrtle Avenue
Clearwater, FL 33756

Re: FY 2024 Stormwater Revenue
Sufficiency Analysis – Draft Report

Dear Mr. Ravins,

Stantec Consulting Services Inc. is pleased to present this Draft Report of the FY 2024 Stormwater Revenue Sufficiency Analysis that we have completed for the City of Clearwater, Florida (City), and its Stormwater Department. We appreciate the excellent assistance provided by you and all the members of City staff who participated in this Study.

If you or others at the City have any questions, please do not hesitate to call me at (813) 269-6010 or reach me by email at leticia.doohaluk@stantec.com. We appreciate the opportunity to be of service to the City and look forward to working with you again in the near future.

Sincerely,

Leticia Doohaluk

Leticia Doohaluk
Senior Manager

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Enclosure

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1. INTRODUCTION

Stantec Consulting Services Inc. (Stantec) has conducted the FY 2024 Stormwater Revenue Sufficiency Analysis (RSA) for the City of Clearwater's Stormwater Enterprise Fund (Utility or Fund). This report describes the objectives, data, and assumptions, as well as the conclusions and recommendations of the RSA.

1.1 BACKGROUND

The City of Clearwater (City) regularly retains Stantec to evaluate the sufficiency of the revenue provided by the City's stormwater fees to meet the projected cost requirements of the Utility. The FY 2019 RSA¹ recommended a reduction to FY 2020 rates of 8.5% followed by no rate adjustments in FY 2021 and FY 2022. The FY 2021 RSA² confirmed no adjustments to FY 2022 rates were needed. The FY 2022 RSA³ established a 1.75% annual rate increase through FY 2027.

In the Spring of 2024, the City again retained Stantec to evaluate the sufficiency of the stormwater revenues to cover all operating and capital expenditures in light of larger operating and capital costs driven by inflationary pressures, regulatory needs and infrastructure costs aimed to protect the City and its citizens from sea level rise and flooding.

1.2 OBJECTIVES

The principal objectives of this Study were as follows:

Revenue Sufficiency Analysis – To evaluate the sufficiency of current stormwater rate revenue to generate the level of revenue necessary to satisfy the Utility's projected cost requirements through FY 2034, including 1) operating expenses, 2) capital improvement program (CIP) costs, 3) adequate operating reserves, 4) adequate debt service coverages; and, to develop a level plan of future rate revenue adjustments that will satisfy these projected requirements during each year of the projection.

Conduct a Residential Stormwater Fee Survey – That compares the City's monthly residential stormwater fee per single-family residential unit to those of other stormwater systems in the City's surrounding geographic area.

¹ Final Report dated September 10, 2019

² Final Report dated July 30, 2021

³ Final Report dated July 12, 2022

2. REVENUE SUFFICIENCY ANALYSIS

This section presents the financial management plan developed and described herein, which includes the source data and assumptions, as well as conclusions and recommendations of the RSA. The Appendix includes detailed supporting schedules of the financial management plan.

2.1 SOURCE DATA & ASSUMPTIONS

The following presents the key source data and assumptions relied upon in conducting the RSA.

2.1.1 Beginning Fund Balances

The FY 2023 Comprehensive Annual Financial Report Statement of Net Position and supporting trial balance schedules provided by City staff were used to establish the FY 2024 beginning balances of the Fund, as of October 1, 2023. It is important to note that funds reserved or encumbered for specific capital projects were included in the beginning fund balances and the associated capital project costs were also included in the capital improvement program.

2.1.2 Revenues

The revenues utilized in the RSA reflect an evaluation of multiple years of historical results, FY 2024 Year-to-Date results, and the FY 2024 Budget. Revenues consist of rate revenue (stormwater fee revenues), other minor operating revenues and interest income. Stormwater fee revenues are based upon a straight-line extrapolation of fiscal year-to-date revenues through April 2024. Beyond FY 2024, stormwater fee revenues are adjusted annually based upon assumed annual changes in accounts as well as changes for the projected annual rate increases shown in the results section of this report.

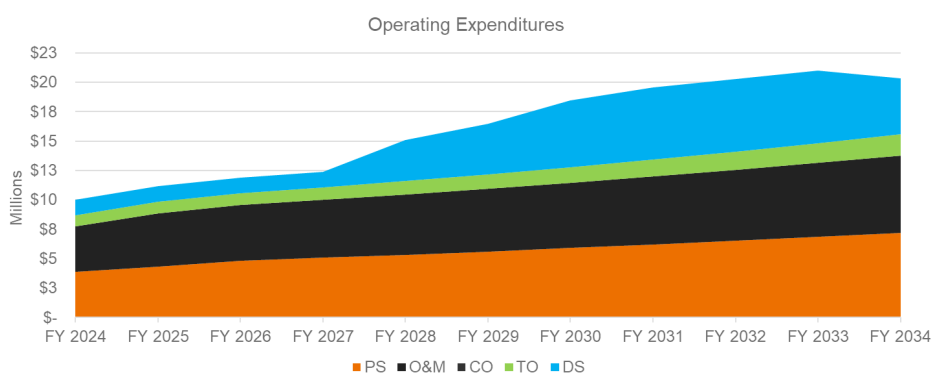
The FY 2024 Budget serves as the basis for all other revenue projections, except for interest income, which is calculated annually based upon projected average annual fund balances and assumed interest rates discussed in more detail in Section 2.1.7 of this report.

2.1.3 Operating Expenditures

The Fund's operating expenditures include all personal services (PS), operating and maintenance (O&M) expenses, transfers (TO), including payment in lieu of taxes or PILOT, debt service (DS) requirements and minor capital outlay (CO) expenditures. The RSA based the operating expenditure projections on the individual expense categories and expense amounts contained in the FY 2024 Budget. Starting in FY 2025, each expense line item is adjusted annually based upon assumed cost escalation factors discussed in Section 2.1.6 of this report, which were validated with City staff. Starting in FY 2025, garage services expenses reflect an additional \$121,000 for Vacon and Frontier annual maintenance. Furthermore, FY 25 includes staffing and heavy equipment costs driven by new regulation around MS4

(Municipal Separate Sewer System) permitting requirements. Existing annual debt service expenses reflect schedules for each outstanding issuance of the Fund as provided by City staff.

Lastly, based on the evaluation of historical personnel and O&M budget execution and discussion with City staff, the analysis includes an assumption of 95% execution of personal services costs and 99% execution of operations & maintenance costs starting in FY 2024. A complete list of all projected Operating Expenditures is presented in Schedule 4 of the Appendix but the Operating Expenditures chart below also presents total projected operating expenses by category (personnel services, operating and maintenance, minor capital outlay, transfers out and debt service)



2.1.4 Payment in Lieu of Taxes (PILOT)

The FY 2024 payment in lieu of taxes reflect the FY 2024 Budget amount as provided by City staff. Starting in FY 2025, the annual calculation of the PILOT is based upon 5.5% of the prior year's audited total operating revenues in each year of the projection period. The total annual payments, allocated by department, are listed in Schedule 4 of the Appendix.

2.1.5 Capital Improvement Program (CIP)

The Capital Improvement Program (CIP) was provided by City staff through FY 2034. No additional escalation factors were applied to the CIP because the data provided by staff already included an assumption of inflation and estimated future cost of construction.

The CIP reflects staff's best estimate of annual spending based on current existing appropriations, and priorities. It is important to note that City staff will regularly re-evaluate and re-prioritize its appropriated capital improvement projects as well as the funding of future projects, furthermore, spending can be impacted by inflationary pressures, labor supply, project management and other items. A list of projects included in the RSA and costs by fiscal year is included in Schedule 6 of the Appendix.

2.1.6 Cost Escalation Factors

Annual cost escalation factors for the various types of operating expenses were discussed with City staff and applied in each year of the projection period beginning in FY 2025. In general, the operating expenses, except for pension plan expenditures, are projected to track with overall inflation patterns, and most other expenditure line items are projected to increase at annual rates of between 3.0% and 8.0%. The employee pension plan expenditures are calculated as 7.5% of salaries and wages in FY 2025 and every subsequent year. The weighted average annual projected operating expenses increase is 5.00% per year starting in FY 2026. The specific escalation factors assumed for each type of expense are presented on Schedule 5 of Appendix.

2.1.7 Interest Earnings

The projection of interest earnings on invested funds (including funds dedicated for CIP projects) was provided by City staff and reflects an earnings rate of 2.25% in FY 2024 and throughout the remainder of the forecast. Annual interest earnings are presented in Schedule 3 of the Appendix.

2.1.8 Customer Growth

The RSA assumes an annual growth 0.09% until FY 2028, and no growth in accounts in the subsequent fiscal years. The assumed growth is based on review of historical account growth, discussion with City staff and the acknowledgment that the City is fairly built out, without much room for new development. As such, to the extent any additional growth happens, the results will have a positive impact to the financial plan, assuming all other factors remain constant.

2.1.9 Future Borrowing

To the extent that any new long-term debt is required during the projection period, the RSA assumes it would be issued for a 30-year term at an interest rate of 4.5% and 1.5% cost of issuance. The model calls for Interim financing to be utilized in Fiscal Years 2026, 2027 and 2029, in between senior debt issuances in Fiscal Years 2028 and 2030. The City's actual future financing and funding decisions will reflect actual future conditions and broader Citywide financing objectives, but the projections in the RSA reflect realistic overall conditions for planning purposes.

2.1.10 Debt Service Coverage

The Utility must maintain annual net revenue (gross revenue minus operating expenses) that is at least 1.15 times greater than the annual debt service requirement (i.e., the annual principal and interest payments) on its outstanding senior-lien debt. This coverage requirement is a minimum bond covenant requirement. To the extent a utility is unable to meet this requirement, it could be found in technical default, which could result in reductions in credit ratings, which would negatively affect the interest rate and terms of future financing initiatives.

As a policy decision, well-managed utilities almost always measure revenue sufficiency and set rates based upon higher coverage levels, to ensure compliance with these covenants, in the event future actual revenue and expenses do not occur as projected. This practice tends to enhance a utility's effectiveness over time as it tends to provide funds which can be available to implement programs and capital projects without the issuance of additional debt. The utility sufficiently meets the coverage requirements each year in the projection period. Annual coverage calculations are presented in Schedule 8 of the Appendix.

2.1.11 Minimum Operating Reserve Policy

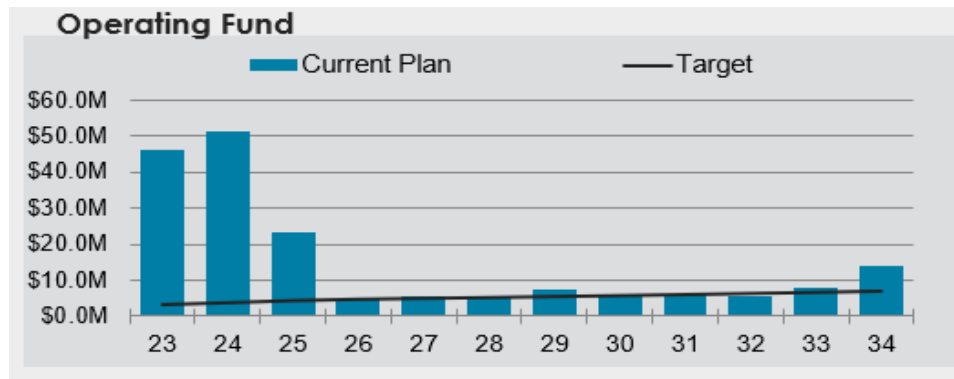
An operating reserve is a balance maintained to meet short-term cash flow requirements as well as minimize the risk associated with meeting the financial obligations and continued operational and capital needs under adverse conditions. The level of reserves maintained by a utility is an important component and consideration of developing a utility system multi-year financial management plan.

Many utilities, rating agencies, and the investment community as a whole place a significant emphasis on having sufficient reserves available for potentially adverse conditions. The rationale related to the maintenance of adequate reserves is twofold. First, it helps to ensure that a utility will have adequate funds available to meet its financial obligations during unusual periods (i.e., when revenues are unusually low and/or expenditures are unusually high). Second, it provides funds that can be used for emergency repairs or replacements to the system that can occur because of natural disasters or unanticipated system failures.

Moreover, reserves are an important financial indicator considered by rating agencies in establishing credit rating for municipal utility systems, thereby impacting the terms and costs of future borrowing requirements. Rating agency guidance as to the level of operating reserve for utility systems tend to be consistent with our industry experience.

Based upon Stantec's industry experience, efficient utilities often target a minimum operating reserve in the range of 3–12 months of annual O&M expenses, depending on other reserve funds and practices, local economic conditions and other financial management policies and procedures. For the City of Clearwater, the RSA reflects a target minimum operating reserve equal to six months of operating expenses. This objective is generally not established as a strict minimum, as many factors could create circumstances under which a utility may elect to allow fund balances to fall below that target for a period of time.

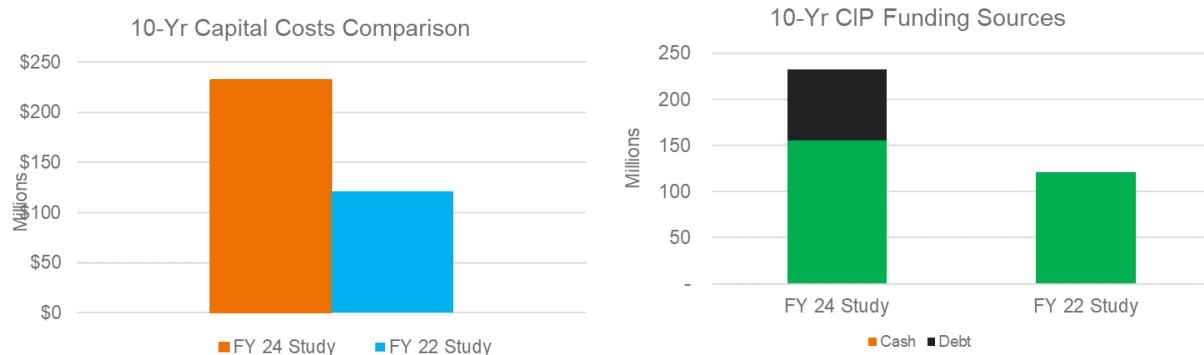
As shown in the Operating Fund chart below, the RSA projects that existing operating reserves will be spent downward over the projection period and will move closer to the target six-month level by FY 2026 and the targeted minimum balances are projected to be maintained in all years.



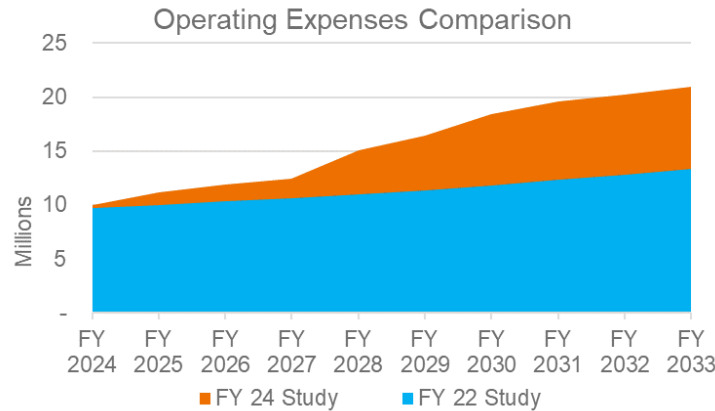
2.2 CONCLUSIONS & RECOMMENDATIONS

The last RSA that Stantec performed for the City, (FY 2022 RSA or FY 22 Study), identified a 5-year plan of rate adjustments equal to 1.75% per year starting in FY 2023. This rate plan was implemented in FY 2023 and in FY 2024. However, given the source data and assumptions described herein the costs of the Utility have changed sizably since the FY 2022 RSA.

The 10-year capital needs as of today have increased by over \$100M, as presented by 10-Yr Capital Costs Comparison chart below. Therefore, the projection now includes the assumption of debt financing for 33% of total 10-year capital improvement costs, equivalent to approximately \$76.7M in bond proceeds. The 10-Yr CIP Funding Sources chart below shows no bond proceeds had been identified within the prior FY 2022 RSA.



In addition to increased capital needs, projected operating expenses are higher stemming from the current inflationary pressures existing locally and within the broad US economy, additional regulatory needs associated with MS4 as discussed earlier and the projected new debt service associated with the larger 10-year capital needs. The Operating Expenses Comparison chart below illustrates the additional operating needs (the orange layer) of this Study versus the FY 2022 RSA..



Given the increases to both projected operating expenses and the 10-year capital costs of the Stormwater Fund, and based upon the assumptions and data presented herein, Stantec has concluded that the Fund is projected to generate healthy levels of operating net income, maintain minimum operating reserves and maintain strong debt service coverages by implementing an 8.00% annual rate increase starting in FY 2025. This projection also assumes borrowing for approximately 33% of its 10-year capital needs as included herein.

Given the City's history of adopting 5-year rate plans Stantec recommends the implementation of 8.00% rate adjustments for FY 2025 thru FY 2029. This will allow the Fund to continue supporting its projected operating and capital needs and maintaining its level of service,

Moreover, Stantec recommends continued annual or bi-annual reviews of the Fund's revenue sufficiency so that the projected use of reserves can be monitored, and annual rate adjustment needs can be verified to avoid the need for sizeable one-time rate impacts to customers in future fiscal years. The annual or bi-annual reviews will also allow for the incorporation of updated revenue and expense information, as well as changes in economic conditions, customer accounts, regulatory requirements, and other factors that can materially affect the financial management plan.

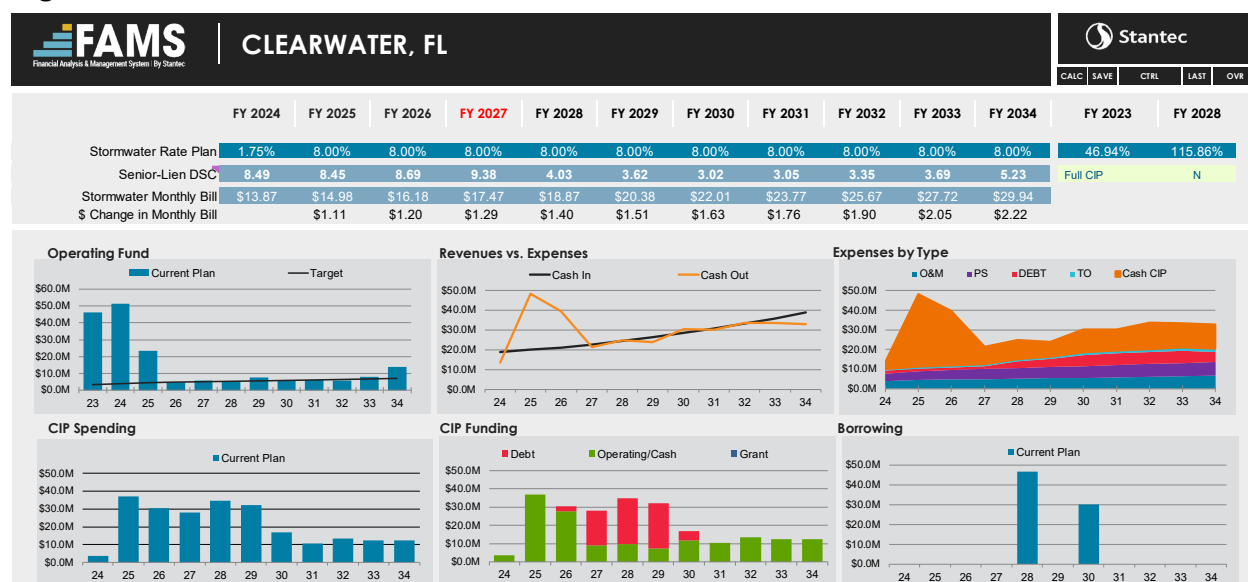
The recommended rate adjustments and customer impacts are presented in Table 2.1.

Table 2.1 – Proposed 5-Year Rate Adjustments & Customer Impacts

Fiscal Year	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Rate Adjustment	8.00%	8.00%	8.00%	8.00%	8.00%
Monthly Bill (per ERU)	\$14.98	\$16.18	\$17.47	\$18.87	\$20.38
\$ Change	\$1.11	\$1.20	\$1.29	\$1.40	\$1.51

The results of the Stormwater Fund's revenue sufficiency analysis are summarized in Figure 2-1 below.

Figure 2-1 FY 2024 RSA Results



It is important to note that the projections of future conditions underlying this analysis are not intended to be predictions. Applicable to many stormwater utility systems, there are multiple factors beyond the City's control, such as weather, regulatory changes, national, regional, and local economic conditions, the rate of growth in new customers, customer reaction to rate adjustments, operating and capital cost inflation, and changes in the timing and composition of the Utility's capital improvement program, that will have material impacts on the future financial condition of the City's utility operations. Further, the projections in this Study rely upon data and guidance provided during the Study, and while the information utilized in this Study is believed to be reliable, detailed independent reviews or auditing of the data were not conducted.

As a result, there will usually be differences between forecast and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. While we have no responsibility to update this report for events and circumstances occurring after the date of this report, future management actions must be informed by and adjusted to reflect future results as they occur. These comments are provided to emphasize the importance of active management informed by the actual future results of utility operations by the City. While the planning effort supported by this Study will serve to guide and inform the City in balancing future revenue and spending decisions, it is only through observation of future results that the City will be able to determine the actions required to ensure its financial and operational objectives are met.

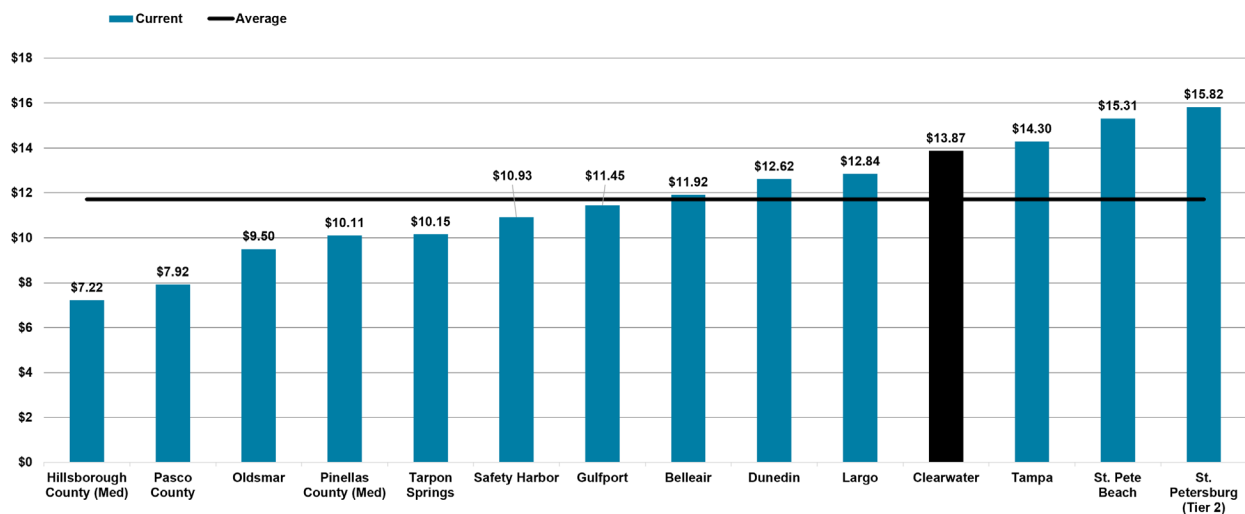
The Appendix includes detailed schedules presenting all components of the financial management plan developed for the Stormwater Utility.

3. RESIDENTIAL STORMWATER FEE SURVEY

As part of the RSA, Stantec also performed a comparative residential stormwater fee survey of the City's surrounding geographic area. The blue bars in Figure 3-1 below reflects the monthly bill for a single-family residential stormwater customer with fees in effect as of October 1, 2023 (FY 2024) for each community, based on public information related to FY 2024 rates available as of May 5, 2024. The rates used in the surveys were based upon information available on each utility's website, provided by its billing department, and/or published in rate ordinances as available on Municode.com.

It is important to note that this survey is a snapshot in time for FY 2024. With the multitude of financial pressures each utility is currently facing, many of the monthly bills shown for each municipality in this survey are most likely to change in FY 2025 and beyond.

Figure 3-1 FY 2024 Monthly Residential Stormwater Fee Survey



Disclaimer

This document was produced by Stantec Consulting Services Inc. (“Stantec”) for the City of Clearwater, FL and is based on a specific scope agreed upon by both parties. Stantec’s scope of work and services do not include serving as a “municipal advisor” for purposes of the registration requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission. Stantec is not advising the City of Clearwater, FL, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, terms, or other similar matters concerning such products or issuances.

In preparing this report, Stantec utilized information and data obtained from the City of Clearwater, FL or public and/or industry sources. Stantec has relied on the information and data without independent verification, except only to the extent such verification is expressly described in this document. Any projections of future conditions presented in the document are not intended as predictions, as there may be differences between forecasted and actual results, and those differences may be material.

Additionally, the purpose of this document is to summarize Stantec’s analysis and findings related to this project, and it is not intended to address all aspects that may surround the subject area. Therefore, this document may have limitations, assumptions, or reliance on data that are not readily apparent on the face of it. Moreover, the reader should understand that Stantec was called on to provide judgments on a variety of critical factors which are incapable of precise measurement. As such, the use of this document and its findings by the City of Clearwater, FL should only occur after consultation with Stantec, and any use of this document and findings by any other person is done so entirely at their own risk.

APPENDIX: SUPPORTING FINANCIAL SCHEDULES

- Schedule 1 Assumptions
- Schedule 2 FY 2022 Beginning Balances
- Schedule 3 Projection of Cash Inflows
- Schedule 4 Projection of Cash Outflows
- Schedule 5 Cost Escalation Factors
- Schedule 6 Capital Improvement Program
- Schedule 7 FAMS - Control Panel
- Schedule 8 Pro Forma
- Schedule 9 Capital Project Funding Summary
- Schedule 10 Detailed Funding by Fund
- Schedule 11 Senior Lien Borrowing Projections

Assumptions

Schedule 1

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Rate Increase Adoption Date	10/1/2023	10/1/2024	10/1/2025	10/1/2026	10/1/2027	10/1/2028	10/1/2029	10/1/2030	10/1/2031	10/1/2032	10/1/2033
Stormwater Annual Growth											
Number of Accounts	32,531	32,560	32,590	32,619	32,648	32,678	32,678	32,678	32,678	32,678	32,678
Account Growth	29	29	29	29	29	-	-	-	-	-	-
% Change in Accounts	0.09%	0.09%	0.09%	0.09%	0.09%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Capital Spending											
Annual Capital Budget (Future Year Dollars) ¹	\$ 3,687,261	\$ 37,001,470	\$ 30,475,000	\$ 27,950,000	\$ 34,826,772	\$ 32,300,000	\$ 16,926,366	\$ 10,550,000	\$ 13,383,048	\$ 12,550,000	\$ 12,550,000
Annual Percent Executed	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Average Annual Interest Earnings Rate											
On Fund Balances	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Operating Budget Reserve											
Target (Number of Months of Reserve)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Operating Budget Execution Percentage											
Personal Services	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
Fixed Operations and Maintenance	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%
Debt Service on Lease Purchases ²	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

¹ City staff provided Stantec with anticipated annual CIP spending.

² Reflects principal and interest expenses related to stormwater vehicles and equipment.

FY 2024 Beginning Balances

Schedule 2

Stantec Grouping of Funds in Model	Revenue Fund	Restricted Reserves
Current Unrestricted Assets		
Equity in pooled cash and investments	\$ 45,126,447	\$ -
Accrued Int Receivables	131,087	-
Other receivables	802	-
Billed charges	873,622	-
Unbilled charges estimated	1,445,600	-
Less: Allowance for uncollectable accounts	(12,090)	-
Restricted cash and investments - current	-	1,027,610
Restricted cash and investments - Non-current	-	1,375,312
Total Assets	\$ 47,565,468	\$ 2,402,922
Current Liabilities		
Less: Accounts and contracts payable	\$ (1,165,355)	\$ -
Less: Accrued payroll	(61,000)	-
Less: Compensated absences	(154,794)	-
Less: Accrued interest payable - current restricted	-	(170,526)
Calculated Fund Balance (Assets - Liabilities)	\$ 46,106,402	\$ 2,232,396
Less: Current Portion of LT Liabilities - Revenue Bonds	\$ -	\$ (857,084)
Net Unrestricted Fund Balance	\$ 46,106,402	\$ 1,375,312
Funds Encumbered or Reserved for Projects not in the CIP	-	-
Available Fund Balance	\$ 46,106,402	\$ 1,375,312
Fund Summary		
Revenue Fund	\$ 46,106,402	
Restricted Reserves	1,375,312	
Available Fund Balance	\$ 47,481,714	

Projection of Cash Inflows

Schedule 3

		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
1	Rate Revenue Growth Assumptions											
2	% Change in Rate Revenue	0.09%	0.09%	0.09%	0.09%	0.09%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3	Assumed Rate Revenue Increases											
4	Assumed Stormwater Rate Increase	1.75%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
5	Stormwater Rate Revenue											
6	Rate Revenue	\$ 17,723,839	19,158,974	20,710,314	22,387,270	24,200,012	26,136,012	28,226,893	30,485,045	32,923,849	35,557,756	38,402,377
7	Total Water Rate Revenue	\$ 17,723,839	19,158,974	20,710,314	22,387,270	24,200,012	26,136,012	28,226,893	30,485,045	32,923,849	35,557,756	38,402,377
8	Other Operating Revenue											
9	Water Utility Fund ¹	\$ 24,545	-	-	-	-	-	-	-	-	-	-
10	Parking Fund	56,207	56,207	56,207	56,207	56,207	56,207	56,207	56,207	56,207	56,207	56,207
11	Late Payment Fee	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
12	Capital Labor	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
13	Total Other Operating Revenue	\$ 134,752	110,207	110,207	110,207	110,207	110,207	110,207	110,207	110,207	110,207	110,207
14	Non-Operating Revenue											
15	Sale of Scrap	\$ 6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
16	Total Non-Operating Revenue	\$ 6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
17	Interest Income											
18	Interest Income	\$ 1,096,542	840,245	316,175	117,650	122,477	142,741	147,223	132,973	134,514	155,129	246,955
19	Total Interest Income	\$ 1,096,542	840,245	316,175	117,650	122,477	142,741	147,223	132,973	134,514	155,129	246,955
20	Total Cash Inflows	\$ 18,961,133	20,115,426	21,142,696	22,621,127	24,438,695	26,394,961	28,490,323	30,734,225	33,174,569	35,829,092	38,765,539

¹ Reflects charges back to the Public Utilities Fund for services provided by Stormwater Engineers. Staff does not anticipate such services beyond FY 2024.

Projection of Cash Outflows

Schedule 4

		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
	Expense Line Item											
1	Stormwater Management											
	Personal Services											
2	510100 Full Time Salaries & Wages	\$ 777,061	843,111	885,267	929,530	976,007	1,024,807	1,076,047	1,129,850	1,186,342	1,245,659	1,307,942
3	510500 Overtime	1,986	2,155	2,263	2,376	2,495	2,620	2,751	2,888	3,033	3,184	3,343
4	520100 Life Ins \$2500 Empl & Pens	72	76	81	86	91	96	102	108	115	122	129
5	520300 Samp Life Insurance	2,240	2,374	2,517	2,668	2,828	2,998	3,177	3,368	3,570	3,784	4,011
6	520400 Major Medical Ins-Emp	155,877	165,230	175,143	185,652	196,791	208,599	221,115	234,381	248,444	263,351	279,152
7	520600 Social Security-Employee	11,276	12,234	12,846	13,488	14,163	14,871	15,614	16,395	17,215	18,075	18,979
8	520700 Emp Pension Plan ¹	56,556	63,395	66,565	69,893	73,388	77,057	80,910	84,955	89,203	93,663	98,346
9	520900 Workers Compensation	4,756	5,160	5,418	5,689	5,974	6,272	6,586	6,915	7,261	7,624	8,005
10	522000 CWA Life	379	401	425	451	478	507	537	569	603	640	678
	Other Operating											
11	530100 Professional Services	70,000	74,200	78,652	83,371	88,373	93,676	99,296	105,254	111,569	118,264	125,359
12	530300 Other Contractual Serv	286,220	296,238	305,865	315,041	324,493	334,227	344,254	354,582	365,219	376,176	387,461
13	542200 Elec-Util Charges	7,000	7,245	7,480	7,705	7,936	8,174	8,419	8,672	8,932	9,200	9,476
14	542300 Gas,Water & Sanitation Util	880	911	940	969	998	1,028	1,058	1,090	1,123	1,157	1,191
15	542500 Postage	1,000	1,035	1,069	1,101	1,134	1,168	1,203	1,239	1,276	1,314	1,354
16	543100 Advertising	780	807	834	859	884	911	938	966	995	1,025	1,056
17	543400 Printing & Binding	3,800	3,933	4,061	4,183	4,308	4,437	4,570	4,708	4,849	4,994	5,144
18	544100 Equipt Rental	100	104	107	110	113	117	120	124	128	131	135
19	545100 Insurance	4,287	4,437	4,581	4,719	4,860	5,006	5,156	5,311	5,470	5,634	5,803
20	546100 Ofc Equip Svc & Repair	100	104	107	110	113	117	120	124	128	131	135
21	546200 Other Equip Svc & Repair	250	259	267	275	283	292	301	310	319	329	338
22	547100 Uniforms-Employee	1,200	1,242	1,282	1,321	1,360	1,401	1,443	1,487	1,531	1,577	1,624
23	547200 Travel Expense-Emp	6,100	6,314	6,519	6,714	6,916	7,123	7,337	7,557	7,784	8,017	8,258
24	547300 Mileage Reimbursement	410	424	438	451	465	479	493	508	523	539	555
25	547400 Meals-Employee	80	83	85	88	91	93	96	99	102	105	108
26	548000 Other Services Or Charges	100	104	107	110	113	117	120	124	128	131	135
27	550100 Office Supplies	720	745	769	793	816	841	866	892	919	946	975
28	550400 Operating Supplies & Matls	4,770	4,937	5,097	5,250	5,408	5,570	5,737	5,909	6,087	6,269	6,457
29	557100 Memberships/Subs/Lic Emp	6,720	6,955	7,181	7,397	7,619	7,847	8,083	8,325	8,575	8,832	9,097
30	557200 Officl Recognition-Emp	500	518	534	550	567	584	601	619	638	657	677
31	557300 Training & Ref Employee	8,250	8,539	8,816	9,081	9,353	9,634	9,923	10,220	10,527	10,843	11,168
	Internal Services											
32	540100 Garage Services	8,650	9,083	9,537	10,013	10,514	11,040	11,592	12,171	12,780	13,419	14,090
33	540300 Telephone Service Variable	6,413	6,734	7,070	7,424	7,795	8,185	8,594	9,024	9,475	9,949	10,446
34	540900 Risk Mgmt Service	2,454	2,577	2,706	2,841	2,983	3,132	3,289	3,453	3,626	3,807	3,997
35	541000 Info Technology Charge	144,370	151,589	159,168	167,126	175,483	184,257	193,470	203,143	213,300	223,965	235,164
36	542000 Employee Benefits-Fixed	2,665	2,798	2,938	3,085	3,239	3,401	3,571	3,750	3,937	4,134	4,341
37	540800 Bldg Svc Chgs CH & MSB-Fixed	27,420	28,791	30,231	31,742	33,329	34,996	36,745	38,583	40,512	42,537	44,664
38	Total Stormwater Management	\$ 1,605,442	1,714,839	1,796,968	1,882,262	1,971,760	2,065,677	2,164,237	2,267,674	2,376,237	2,490,187	2,609,798

Projection of Cash Outflows

Schedule 4

		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Expense Line Item												
Stormwater Maintenance												
Personal Services												
39	510100 Full Time Salaries & Wages	\$ 2,198,544	2,385,420	2,504,691	2,629,926	2,761,422	2,899,493	3,044,468	3,196,691	3,356,526	3,524,352	3,700,570
40	510400 Special Pay	29,065	30,082	31,060	31,992	32,951	33,940	34,958	36,007	37,087	38,200	39,346
41	510500 Overtime	22,363	24,264	25,478	26,751	28,089	29,494	30,968	32,517	34,142	35,850	37,642
42	520100 Life Ins \$2500 Empl & Pens	29	31	33	35	37	39	41	44	47	49	52
43	520200 1% Life Insurance-Employee	403	427	453	480	509	539	572	606	642	681	722
44	520300 Samp Life Insurance	829	879	932	987	1,047	1,109	1,176	1,247	1,321	1,401	1,485
45	520400 Major Medical Ins-Emp	532,263	564,199	598,051	633,934	671,970	712,288	755,025	800,327	848,346	899,247	953,202
46	520600 Social Security-Employee	41,192	44,694	46,929	49,275	51,739	54,326	57,042	59,894	62,889	66,033	69,335
47	520700 Emp Pension Plan ¹	148,324	182,983	192,092	201,650	211,685	222,220	233,280	244,891	257,082	269,880	283,317
48	520900 Workers Compensation	64,530	70,015	73,516	77,192	81,051	85,104	89,359	93,827	98,518	103,444	108,616
49	521000 Disability Insurance	228	242	256	272	288	305	323	343	363	385	408
50	522000 CWA Life	6,916	7,331	7,771	8,237	8,731	9,255	9,810	10,399	11,023	11,684	12,386
Other Operating												
51	530300 Other Contractual Serv	21,600	22,356	23,083	23,775	24,488	25,223	25,980	26,759	27,562	28,389	29,240
52	542200 Elec-Util Charges	1,820	1,884	1,945	2,003	2,063	2,125	2,189	2,255	2,322	2,392	2,464
53	542300 Gas,Water & Sanitation Util	59,750	61,841	63,851	65,767	67,740	69,772	71,865	74,021	76,242	78,529	80,885
54	542500 Postage	370	383	395	407	419	432	445	458	472	486	501
55	542700 Interfd Svc Chg-Other Fund	12,240	12,852	13,495	14,169	14,878	15,622	16,403	17,223	18,084	18,988	19,938
56	542800 Interfd Other Serv Chgs	417,160	438,018	459,919	482,915	507,061	532,414	559,034	586,986	616,335	647,152	679,510
57	542900 Interfd Admin Service Chg	548,010	575,411	604,181	634,390	666,110	699,415	734,386	771,105	809,660	850,143	892,651
58	543400 Printing & Binding	3,300	3,416	3,527	3,632	3,741	3,854	3,969	4,088	4,211	4,337	4,467
59	543500 Dump Fee	139,400	150,273	161,995	174,954	188,950	204,066	220,392	238,023	257,065	277,630	299,841
60	544100 Equipt Rental	30,000	31,050	32,059	33,021	34,012	35,032	36,083	37,165	38,280	39,429	40,612
61	545100 Insurance	125,739	130,140	134,369	138,400	142,553	146,829	151,234	155,771	160,444	165,257	170,215
62	546200 Other Equip Svc & Repair	18,000	18,630	19,235	19,813	20,407	21,019	21,650	22,299	22,968	23,657	24,367
63	547100 Uniforms-Employee	23,000	23,805	24,579	25,316	26,076	26,858	27,664	28,493	29,348	30,229	31,136
64	547200 Travel Expense-Emp	6,750	6,986	7,213	7,430	7,653	7,882	8,119	8,362	8,613	8,871	9,138
65	547300 Mileage Reimbursement	460	476	492	506	522	537	553	570	587	605	623
66	547400 Meals-Employee	600	621	641	660	680	701	722	743	766	789	812
67	548000 Other Services Or Charges	1,000	1,035	1,069	1,101	1,134	1,168	1,203	1,239	1,276	1,314	1,354
68	550100 Office Supplies	5,000	5,175	5,343	5,503	5,669	5,839	6,014	6,194	6,380	6,571	6,769
69	550400 Operating Supplies & Matls	178,080	184,313	190,303	196,012	201,892	207,949	214,188	220,613	227,232	234,049	241,070
70	551500 Medical Supplies	1,000	1,035	1,069	1,101	1,134	1,168	1,203	1,239	1,276	1,314	1,354
71	557100 Memberships/Subs/Lic Emp	4,490	4,647	4,798	4,942	5,090	5,243	5,400	5,562	5,729	5,901	6,078
72	557200 Officl Recognition-Emp	2,050	2,122	2,191	2,256	2,324	2,394	2,466	2,540	2,616	2,694	2,775
73	557300 Training & Ref Employee	21,370	22,118	22,837	23,522	24,228	24,954	25,703	26,474	27,268	28,086	28,929
Internal Services												
74	540100 Garage Services	1,013,510	1,169,983	1,208,007	1,244,248	1,281,575	1,320,022	1,359,623	1,400,412	1,442,424	1,485,697	1,530,267
75	540300 Telephone Service Variable	6,413	6,734	7,070	7,424	7,795	8,185	8,594	9,024	9,475	9,949	10,446
76	540500 Radio Svc-Fixed	18,640	19,572	20,551	21,578	22,657	23,790	24,979	26,228	27,540	28,917	30,363
77	540700 Postal Service	180	189	198	208	219	230	241	253	266	279	293
78	540900 Risk Mgmt Service	10,062	10,565	11,093	11,648	12,230	12,842	13,484	14,158	14,866	15,609	16,390
79	541000 Info Technology Charge	202,890	213,035	223,686	234,871	246,614	258,945	271,892	285,487	299,761	314,749	330,486
80	541500 Garage Variable	11,000	11,550	12,128	12,734	13,371	14,039	14,741	15,478	16,252	17,065	17,918
81	541600 Bldg & Maint-Variable	15,400	16,170	16,979	17,827	18,719	19,655	20,637	21,669	22,753	23,890	25,085
82	541800 Administrative Charge	425,580	446,859	469,202	492,662	517,295	543,160	570,318	598,834	628,775	660,214	693,225
83	542000 Employee Benefits-Fixed	10,925	11,471	12,045	12,647	13,279	13,943	14,641	15,373	16,141	16,948	17,796
84	Total Stormwater Maintenance	\$ 6,380,476	6,915,280	7,240,806	7,578,174	7,932,094	8,303,417	8,693,035	9,101,891	9,530,977	9,981,338	10,454,075

Projection of Cash Outflows

Schedule 4

	Expense Line Item	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
	Additional Expenses ¹											
85	4192090 Stormwater Maintenance - Personnel	\$ -	-	306,267	321,580	337,659	354,542	372,269	390,883	410,427	430,948	452,495
86	4192090 Stormwater Maintenance - O&M	-	351,107	362,518	373,394	384,595	396,133	408,017	420,258	432,865	445,851	459,227
87	4191365 Stormwater Management - Personnel	-	134,424	141,145	148,202	155,613	163,393	171,563	180,141	189,148	198,605	208,536
88	4191365 Stormwater Management - O&M	-	13,534	13,974	14,393	14,825	15,270	15,728	16,200	16,686	17,186	17,702
89	Total Expenses	\$ -	499,065	823,904	857,569	892,692	929,338	967,577	1,007,481	1,049,126	1,092,591	1,137,960
	Total Expenses by Category											
90	Personal Services	\$ 4,054,890	4,539,128	5,079,197	5,340,346	5,615,003	5,903,873	6,207,694	6,527,246	6,863,348	7,216,863	7,588,698
91	Operations & Maintenance	3,931,028	4,590,056	4,782,481	4,977,659	5,181,543	5,394,560	5,617,155	5,849,800	6,092,992	6,347,253	6,613,134
92	Total Expenses	\$ 7,985,918	9,129,184	9,861,678	10,318,004	10,796,547	11,298,432	11,824,849	12,377,046	12,956,340	13,564,116	14,201,832
	Expense Execution Factors ²											
93	Personal Services	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
94	Operations & Maintenance	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%
95	Debt Service on Lease Purchases	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Total Expenses at Execution											
96	Personal Services	\$ 3,852,146	4,312,172	4,825,237	5,073,328	5,334,253	5,608,679	5,897,309	6,200,884	6,520,180	6,856,020	7,209,263
97	Operations & Maintenance	3,891,718	4,544,156	4,734,656	4,927,882	5,129,728	5,340,614	5,560,984	5,791,302	6,032,062	6,283,780	6,547,003
98	Total Expenses at Execution	\$ 7,743,864	8,856,327	9,559,893	10,001,210	10,463,981	10,949,293	11,458,293	11,992,186	12,552,243	13,139,800	13,756,266
	Transfers Out											
99	590200 Interfund Transfer (PILOT)	\$ 951,520	964,426	982,222	1,059,805	1,145,129	1,237,361	1,337,062	1,443,542	1,558,541	1,682,739	1,816,873
100	Total Transfers Out	\$ 951,520	964,426	982,222	1,059,805	1,145,129	1,237,361	1,337,062	1,443,542	1,558,541	1,682,739	1,816,873
	Debt Service											
101	Series 2012 Revenue Bond	\$ 1,320,888	1,332,738	1,332,563	1,346,113	1,338,063	1,352,294	1,359,025	1,362,738	1,368,288	1,375,313	-
102	Costs Associated with Interim Financing	-	-	40,545	366,090	-	375,000	-	-	-	-	-
103	New Debt Service (Model Calculated)	-	-	-	-	2,133,640	2,910,832	4,281,391	4,780,625	4,780,625	4,780,625	4,780,625
104	Total Debt Service	\$ 1,320,888	1,332,738	1,373,108	1,712,203	3,471,702	4,638,126	5,640,416	6,143,363	6,148,913	6,155,938	4,780,625
105	Total Cash Outflows	\$ 10,016,271	\$ 11,153,491	\$ 11,915,223	\$ 12,773,218	\$ 15,080,812	\$ 16,824,780	\$ 18,435,770	\$ 19,579,091	\$ 20,259,696	\$ 20,978,477	\$ 20,353,764

¹ Reflects seven new full time employees as well as other operating expenses identified by City staff for both the stormwater maintenance and stormwater management departments.
² Based on historical actual versus budget execution and discussion with City staff.

Cost Escalation Factors

Schedule 5

Expense Line Item Description	Inflation Factor	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
510100 Full Time Salaries & Wages	Pay	8.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
510200 Part Time Salaries & Wages	Pay	8.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
510500 Overtime	Pay	8.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
520100 Life Ins \$2500 Empl & Pens	Health Insurance	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
520200 1% Life Insurance-Employee	Health Insurance	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
520300 Samp Life Insurance	Health Insurance	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
520400 Major Medical Ins-Emp	Health Insurance	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
520600 Social Security-Employee	Pay	8.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
520700 Emp Pension Plan ¹	Pension contribution as % of pay	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
520900 Workers Compensation	Pay	8.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
521000 Disability Insurance	Health Insurance	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
522000 CWA Life	Health Insurance	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
542200 Elec-Util Charges	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
542300 Gas,Water & Sanitation Utl	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
542500 Postage	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
542700 Interfd Svc Chg-Other Fund	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
542800 Interfd Other Serv Chgs	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
542900 Interfd Admin Service Chg	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
543100 Advertising	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
543400 Printing & Binding	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
543500 Dump Fee	Dump Fee	7.80%	7.80%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
544100 Equipt Rental	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
545100 Insurance	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
546100 Ofc Equip Svc & Repair	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
546200 Other Equip Svc & Repair	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
547100 Uniforms-Employee	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
547200 Travel Expense-Emp	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
547300 Mileage Reimbursement	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
547400 Meals-Employee	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
548000 Other Services Or Charges	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
540800 Bldg Svc Chgs CH & MSB-Fixed	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
550400 Operating Supplies & Matls	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
551500 Medical Supplies	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
552500 \$750-5000 Mach & Equip	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
557100 Memberships/Subs/Lic Emp	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
557200 Officl Recognition-Emp	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
557300 Training & Ref Employee	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
540100 Garage Services	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
540500 Radio Svc-Fixed	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
540600 Telephone Svc Fixed	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
540700 Postal Service	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
540900 Risk Mgmt Service	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
541000 Info Technology Charge	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
541500 Garage Variable	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
541600 Bldg & Maint-Variable	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
541800 Administrative Charge	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
542000 Employee Benefits-Fixed	Internal Service Charges	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
4192090 Stormwater Maintenance - Personnel	Pay	8.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
4192090 Stormwater Maintenance - O&M	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
4191365 Stormwater Management - Personnel	Pay	8.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	3.00%	3.00%
4191365 Stormwater Management - O&M	Inflation	3.50%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Weighted average change in O&M Expenses ²		14.37%	7.94%	4.62%	4.63%	4.64%	4.65%	4.66%	4.67%	4.68%	4.69%


¹ Pension contribution as % of pay reflects a percentage of Salaries and Wages starting in FY 2025 and throughout the projection period.
² Reflects increases in O&M Expenses for FY 2025 and FY 2026 related to additional personnel and equipment expenses provided by City staff, and presented in Schedule 4 of this report.

Capital Improvement Program


Schedule 6

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	Total
												-
Appropriations By Fiscal Year												-
1 Stormwater Vehicles & Equipment	\$ 1,605,673	2,600,000	2,000,000	1,500,000	1,500,000	1,500,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	19,455,673
2 N Fort Harrison	-	1,079,100	-	-	2,526,772	-	2,297,066	-	2,833,048	-	-	8,735,986
3 Downtown Streetscape 3	3,700	-	-	-	-	-	-	-	-	-	-	3,700
4 Survey Equipment	-	-	25,000	-	-	-	-	-	-	-	-	25,000
5 Public Works Complex	-	100,000	-	-	-	-	-	-	-	-	-	100,000
6 Storm System Improvements	1,000,000	5,000,000	6,000,000	6,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	53,000,000
7 Allens Creek Improvements	-	3,100,000	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	5,900,000
8 Storm System Expansion	360,000	-	-	-	-	-	-	-	-	-	-	360,000
9 Stevenson Creek	452,378	1,961,000	4,850,000	450,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	9,113,378
10 Coastal Basins	75,510	50,000	500,000	600,000	200,000	200,000	2,279,300	200,000	200,000	200,000	200,000	4,704,810
11 Alligator Creek	-	3,050,000	100,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	4,750,000
12 Nash St Improvements	15,000	350,000	1,800,000	-	-	-	-	-	-	-	-	2,165,000
13 Lower Spring Branch Improvements	-	5,000,000	-	-	-	-	-	-	-	-	-	5,000,000
14 North Beach SW & Tidal Surge Improvements	75,000	14,000,000	14,000,000	19,000,000	25,000,000	25,000,000	5,000,000	-	-	-	-	102,075,000
15 Enterprise Asset Management System	100,000	711,370	-	-	-	-	-	-	-	-	-	811,370
16 Unspecified Future Projects	\$ -	-	-	-	-	-	-	3,000,000	3,000,000	5,000,000	5,000,000	16,000,000
17 Total CIP Budget (in current dollars)	\$ 3,687,261	37,001,470	30,475,000	27,950,000	34,826,772	32,300,000	16,926,366	10,550,000	13,383,048	12,550,000	12,550,000	232,199,918
18 Total CIP Budget (future year dollars) ¹	\$ 3,687,261	37,001,470	30,475,000	27,950,000	34,826,772	32,300,000	16,926,366	10,550,000	13,383,048	12,550,000	12,550,000	232,199,918
19 Annual CIP Execution Percentage	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
20 Final CIP Funding Level	\$ 3,687,261	37,001,470	30,475,000	27,950,000	34,826,772	32,300,000	16,926,366	10,550,000	13,383,048	12,550,000	12,550,000	232,199,918

¹ City staff provided Stantec with anticipated capital spending in future year dollars. As such, no other escalation is applied.

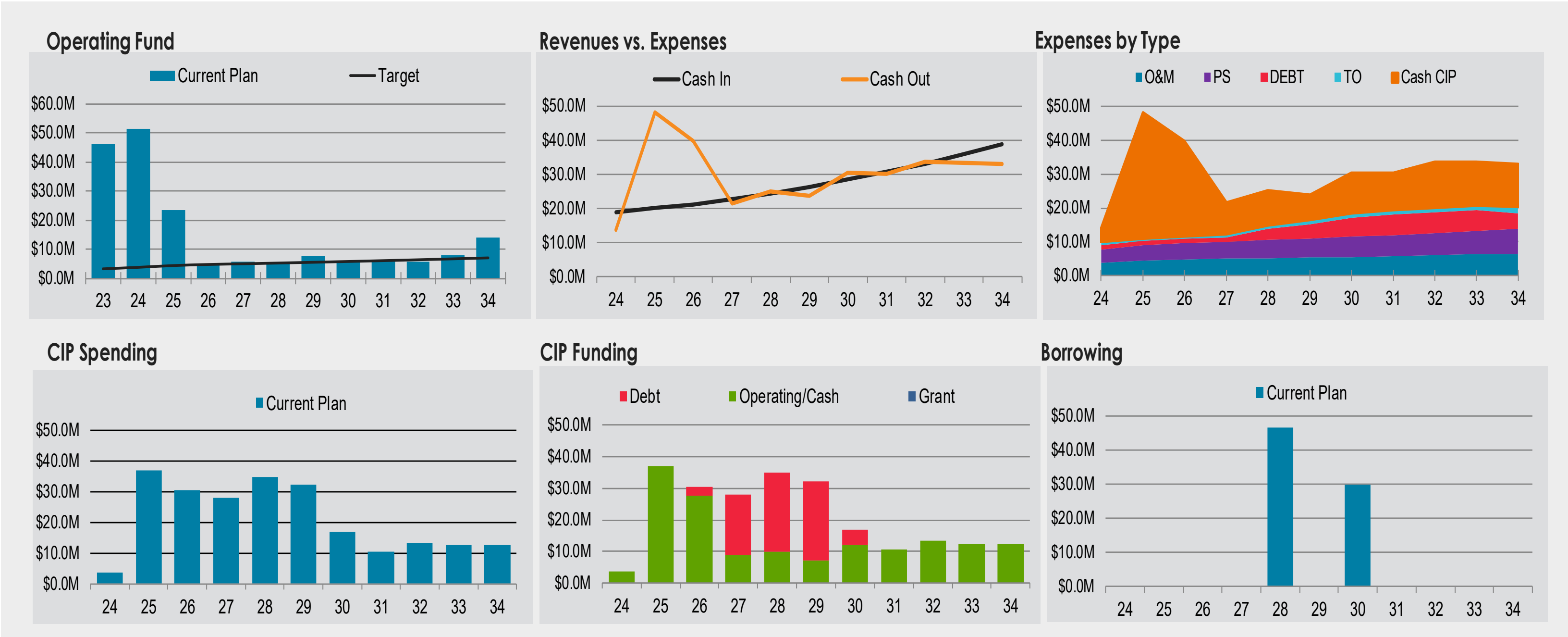


CLEARWATER, FL



CALC SAVE CTRL LAST OVR

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2023	FY 2028
Override ▶	1.75%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	Cumulative	
Stormwater Rate Plan	1.75%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	46.94%	115.86%
Senior-Lien DSC	8.49	8.45	8.69	9.38	4.03	3.62	3.02	3.05	3.35	3.69	5.23	Full CIP	N
Stormwater Monthly Bill	\$13.87	\$14.98	\$16.18	\$17.47	\$18.87	\$20.38	\$22.01	\$23.77	\$25.67	\$27.72	\$29.94		
\$ Change in Monthly Bill		\$1.11	\$1.20	\$1.29	\$1.40	\$1.51	\$1.63	\$1.76	\$1.90	\$2.05	\$2.22		



Pro Forma

Schedule 8

		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
1	Operating Revenue											
2	Stormwater Rate Revenue	\$ 17,723,839	17,723,839	19,158,974	20,710,314	22,387,270	24,200,012	26,136,012	28,226,893	30,485,045	32,923,849	35,557,756
	Change in Revenue From Growth	-	15,951	17,243	18,639	20,149	-	-	-	-	-	-
3	Subtotal	\$ 17,723,839	17,739,790	19,176,217	20,728,953	22,407,418	24,200,012	26,136,012	28,226,893	30,485,045	32,923,849	35,557,756
4	Weighted Average Rate Increase	1.75%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
5	Additional Rate Revenue From Rate Increase	-	1,419,183	1,534,097	1,658,316	1,792,593	1,936,001	2,090,881	2,258,151	2,438,804	2,633,908	2,844,621
6	Total Rate Revenue	\$ 17,723,839	19,158,974	20,710,314	22,387,270	24,200,012	26,136,012	28,226,893	30,485,045	32,923,849	35,557,756	38,402,377
7	Plus: Other Operating Revenue	134,752	110,207	110,207	110,207	110,207	110,207	110,207	110,207	110,207	110,207	110,207
8	Equals: Total Operating Revenue	\$ 17,858,591	19,269,181	20,820,521	22,497,477	24,310,219	26,246,219	28,337,100	30,595,252	33,034,056	35,667,963	38,512,584
9	Personal Services	\$ (3,852,146)	(4,312,172)	(4,825,237)	(5,073,328)	(5,334,253)	(5,608,679)	(5,897,309)	(6,200,884)	(6,520,180)	(6,856,020)	(7,209,263)
10	Operations & Maintenance Costs	(3,891,718)	(4,544,156)	(4,734,656)	(4,927,882)	(5,129,728)	(5,340,614)	(5,560,984)	(5,791,302)	(6,032,062)	(6,283,780)	(6,547,003)
11	Equals: Net Operating Income	\$ 10,114,727	10,412,853	11,260,628	12,496,266	13,846,238	15,296,926	16,878,808	18,603,066	20,481,813	22,528,164	24,756,318
12	Non-Operating Revenue	\$ 6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
13	Interest Income	1,096,542	840,245	316,175	117,650	122,477	142,741	147,223	132,973	134,514	155,129	246,955
14	Equals: Net Income	\$ 11,217,269	11,259,099	11,582,802	12,619,916	13,974,714	15,445,668	17,032,031	18,742,039	20,622,327	22,689,292	25,009,273
15	Senior Lien Debt Service Coverage Test											
16	Net Income Available for Senior-Lien Debt Service	\$ 11,217,269	11,259,099	11,582,802	12,619,916	13,974,714	15,445,668	17,032,031	18,742,039	20,622,327	22,689,292	25,009,273
17	Existing Senior-Lien Debt ¹	1,320,888	1,332,738	1,332,563	1,346,113	1,338,063	1,352,294	1,359,025	1,362,738	1,368,288	1,375,313	-
18	Cumulative New Senior Lien Debt Service (calculated)	-	-	-	-	2,133,640	2,910,832	4,281,391	4,780,625	4,780,625	4,780,625	4,780,625
19	Total Annual Senior-Lien Debt Service	\$ 1,320,888	1,332,738	1,332,563	1,346,113	3,471,702	4,263,126	5,640,416	6,143,363	6,148,913	6,155,938	4,780,625
20	Calculated Senior-Lien Debt Service Coverage	Req. 1.20 8.49	8.45	8.69	9.38	4.03	3.62	3.02	3.05	3.35	3.69	5.23
21	Cash Flow Test											
22	Net Income Available For Debt Service	\$ 11,217,269	11,259,099	11,582,802	12,619,916	13,974,714	15,445,668	17,032,031	18,742,039	20,622,327	22,689,292	25,009,273
23	Interfund Transfer (PILOT)	(951,520)	(964,426)	(982,222)	(1,059,805)	(1,145,129)	(1,237,361)	(1,337,062)	(1,443,542)	(1,558,541)	(1,682,739)	(1,816,873)
24	Net Debt Service Payment	(1,320,888)	(1,332,738)	(1,332,563)	(1,346,113)	(3,471,702)	(4,263,126)	(5,640,416)	(6,143,363)	(6,148,913)	(6,155,938)	(4,780,625)
25	Costs Associated with Interim Financing	-	-	(40,545)	(366,090)	-	(375,000)	-	-	-	-	-
26	Net Cash Flow	\$ 8,944,862	8,961,935	9,227,472	9,847,909	9,357,883	9,570,181	10,054,553	11,155,134	12,914,873	14,850,615	18,411,775
27	Unrestricted Reserve Fund Test											
28	Balance At Beginning Of Fiscal Year	\$ 46,106,402	51,364,003	23,324,468	4,779,947	5,677,855	5,208,966	7,479,147	5,607,334	6,212,468	5,744,293	8,044,909
29	Cash Flow Surplus/(Deficit)	8,944,862	8,961,935	9,227,472	9,847,909	9,357,883	9,570,181	10,054,553	11,155,134	12,914,873	14,850,615	18,411,775
30	Projects Designated To Be Paid With Cash	(3,612,261)	(23,001,470)	(16,475,000)	(8,950,000)	(9,826,772)	(7,300,000)	(11,926,366)	(10,550,000)	(13,383,048)	(12,550,000)	(12,550,000)
31	Projects Paid With Non Specified Funds	(75,000)	(14,000,000)	(11,296,993)	-	-	-	-	-	-	-	-
32	Balance At End Of Fiscal Year	\$ 51,364,003	23,324,468	4,779,947	5,677,855	5,208,966	7,479,147	5,607,334	6,212,468	5,744,293	8,044,909	13,906,684
33	Minimum Working Capital Reserve Target	3,871,932	4,428,164	4,779,947	5,000,605	5,231,990	5,474,647	5,729,146	5,996,093	6,276,121	6,569,900	6,878,133
34	Excess/(Deficiency) Of Working Capital To Target	\$ 47,492,071	18,896,304	-	677,250	(23,024)	2,004,500	(121,812)	216,375	(531,828)	1,475,009	7,028,551

¹ Annual debt service for Series 2012 ends in FY 2033.

Capital Project Funding Summary

Schedule 9

Final Capital Projects Funding Sources	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Grant Funding	\$ -	-	-	-	-	-	-	-	-	-	-
Revenue Fund / Projects Paid With Non Specified Funds	\$ 75,000	14,000,000	11,296,993	-	-	-	-	-	-	-	-
Senior-Lien Debt Proceeds	\$ -	-	2,703,007	19,000,000	25,000,000	25,000,000	5,000,000	-	-	-	-
Projects Designated To Be Paid With Cash	3,612,261	23,001,470	16,475,000	8,950,000	9,826,772	7,300,000	11,926,366	10,550,000	13,383,048	12,550,000	12,550,000
Total Projects Paid	\$ 3,687,261	37,001,470	30,475,000	27,950,000	34,826,772	32,300,000	16,926,366	10,550,000	13,383,048	12,550,000	12,550,000

Detailed Funding by Fund

Schedule 10

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Revenue Fund											
Balance At Beginning Of Fiscal Year	\$ 46,106,402	51,364,003	23,324,468	4,779,947	5,677,855	5,208,966	7,479,147	5,607,334	6,212,468	5,744,293	8,044,909
Net Cash Flow	8,944,862	8,961,935	9,227,472	9,847,909	9,357,883	9,570,181	10,054,553	11,155,134	12,914,873	14,850,615	18,411,775
Less: Cash-Funded Capital Projects	(3,612,261)	(23,001,470)	(16,475,000)	(8,950,000)	(9,826,772)	(7,300,000)	(11,926,366)	(10,550,000)	(13,383,048)	(12,550,000)	(12,550,000)
Less: Payment Of Debt Service	-	-	-	-	-	-	-	-	-	-	-
Subtotal	51,439,003	37,324,468	16,076,940	5,677,855	5,208,966	7,479,147	5,607,334	6,212,468	5,744,293	8,044,909	13,906,684
Less: Restricted Funds	(3,871,932)	(4,428,164)	(4,779,947)	(5,000,605)	(5,208,966)	(5,474,647)	(5,607,334)	(5,996,093)	(5,744,293)	(6,569,900)	(6,878,133)
Total Amount Available For Projects	\$ 47,567,071	32,896,304	11,296,993	677,250	-	2,004,500	-	216,375	-	1,475,009	7,028,551
Amount Paid For Projects	(75,000)	(14,000,000)	(11,296,993)	-	-	-	-	-	-	-	-
Subtotal	47,492,071	18,896,304	-	677,250	-	2,004,500	-	216,375	-	1,475,009	7,028,551
Add Back: Restricted Funds	3,871,932	4,428,164	4,779,947	5,000,605	5,208,966	5,474,647	5,607,334	5,996,093	5,744,293	6,569,900	6,878,133
Plus: Interest Earnings	1,096,542	840,245	316,175	117,650	122,477	142,741	147,223	132,973	134,514	155,129	246,955
Less: Interest Allocated To Cash Flow	(1,096,542)	(840,245)	(316,175)	(117,650)	(122,477)	(142,741)	(147,223)	(132,973)	(134,514)	(155,129)	(246,955)
Balance At End Of Fiscal Year	\$ 51,364,003	23,324,468	4,779,947	5,677,855	5,208,966	7,479,147	5,607,334	6,212,468	5,744,293	8,044,909	13,906,684

Senior Lien Borrowing Projections

Schedule 11

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Term (Years)	30	30	30	30	30	30	30	30	30	30	30
Interest Rate	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Sources of Funds											
Par Amount	\$ -	-	-	-	47,414,220	-	30,456,853	-	-	-	-
Uses of Funds											
Proceeds	\$ -	-	-	-	46,703,007	-	30,000,000	-	-	-	-
Cost of Issuance	1.50%	of Par	-	-	711,213	-	456,853	-	-	-	-
Debt Service Reserve	0	Year(s) of Debt Service	-	-	-	-	-	-	-	-	-
Total Uses	\$ -	-	-	-	47,414,220	-	30,456,853	-	-	-	-
1 Year Interest	-	-	-	-	2,133,640	-	1,370,558	-	-	-	-
Annual Debt Service	\$ -	-	-	-	2,910,832	-	1,869,793	-	-	-	-
Total Debt Service	-	-	-	-	87,324,964	-	56,093,796	-	-	-	-
Required Proceeds for Capital Funding	\$ -	-	2,703,007	19,000,000	25,000,000	25,000,000	5,000,000	-	-	-	-
Cumulative New Annual Senior Lien Debt Service ¹	\$ -	-	-	-	2,133,640	2,910,832	4,281,391	4,780,625	4,780,625	4,780,625	4,780,625

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Interim Financing Assumptions											
Interest Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Proceeds	\$ -	-	2,703,007	19,000,000	-	25,000,000	-	-	-	-	-
Interim Financing Costs	-	-	40,545	366,090	-	375,000	-	-	-	-	-

¹Reflects interest-only payment due in year of issuance.