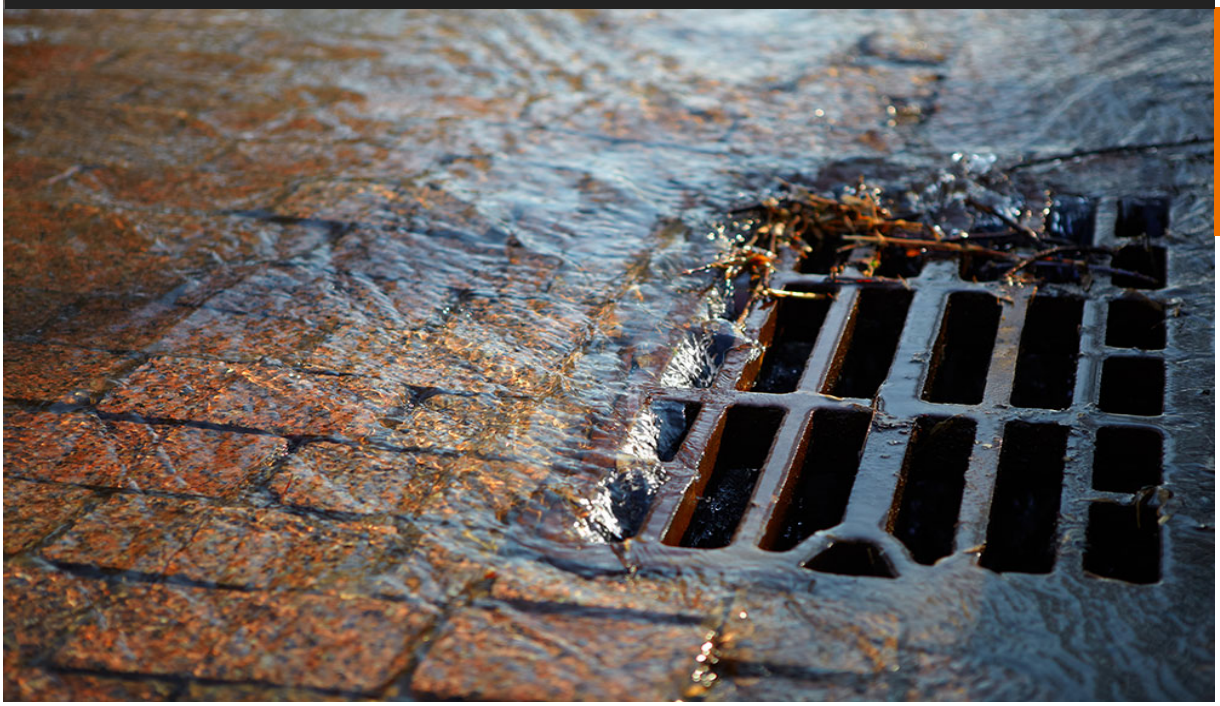
Stantec

City of Venice, Florida

Fiscal Year 2020 Stormwater Utility Rate Study – Final Report

September 1, 2020



Stantec

September 1, 2020

Kathleen J. Weeden
PE, CFM, LEED AP
City Engineer
401 W. Venice Avenue
Venice, FL 34285

Re: Fiscal Year 2020
Stormwater Utility Rate Study
– Final Report

Dear Ms. Weeden,

Stantec Consulting Services Inc. (Stantec) is pleased to present this final report of the Fiscal Year 2020 Stormwater Utility Rate Study (Study) that was performed on behalf of the City of Venice, Florida (City) and its Engineering/Stormwater Department.

We appreciate the fine assistance provided by you and all the members of City staff who actively participated in and contributed to this Study. Please feel free to distribute this report to the appropriate members of City staff for their review and comments in addition to your own.

If you have any questions or would like to discuss, please do not hesitate to call me at (941) 504-7239 or email me at kelly.westover@stantec.com. We appreciate the opportunity to be of service to the City and look forward to the possibility of doing so again in the future.

Sincerely,

Kelly Westover

Managing Consultant, Financial Services

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Sarasota, Florida 34240
(941) 504-7239
kelly.westover@stantec.com

Enclosure

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1. INTRODUCTION

On behalf of the City of Venice (City) and its Engineering/Stormwater Department, Stantec Consulting Services Inc. (Stantec) has conducted a Fiscal Year 2020 Stormwater Rate Study (Study) for the City's Stormwater Utility (Utility or System). This report presents the objectives, approach, methodologies, source data, assumptions, and the findings and recommendations of the Study.

1.1 BACKGROUND

The City of Venice provides stormwater management services within the City limits. The management of the City's System includes essential planning, engineering, design, construction, operations, maintenance, inspection, permitting, and enforcement activities that manage stormwater runoff quantity and quality. Each of these activities are critical to mitigate flooding, protect individual and personal property, manage water quality, and comply with federal, state, and local regulatory requirements.

The City employs numerous means of conveying stormwater runoff within the City, generally categorized as open conveyance (canals, ditches and swales); closed conveyance (inlets and pipes); and storage (dry and wet retention / detention). The City's System represents millions of dollars of investment in stormwater infrastructure.

The City's System is subject to the federal Clean Water Act, which requires the City to meet the requirements of the National Pollutant Discharge Elimination System (NPDES) program. The NPDES program requires regulated entities to comply with the Municipal Separate Storm Sewer System (MS4) Permit. The NPDES program is administered by the Department of Environmental Protection under Chapter 62-624 F.A.C. in Florida. The MS4 Permit requires specific activities to be undertaken within the community to manage the stormwater system discharges to protect the quality of surface waters. The activities are typically referred to as the "six minimum control measures" and consist of the following:

1) Public Education and Outreach
2) Public Participation / Involvement
3) Illicit Discharge Detection and Elimination
4) Construction Site Runoff Control
5) Post-Construction Site Stormwater Runoff Control
6) Pollution Prevention / Good Housekeeping

The Stormwater Department is responsible for the investment in and maintenance of the City's System as it serves to protect individual and personal property while reducing the impacts of urban runoff on the natural environment.

The Stormwater Management Utility was established in September 1995 as an enterprise fund to provide adequate and stable funding for compliance with the NPDES permit and the capital improvements of the System. Section 74-301 of the Venice Code of Ordinances grants City Council the authority to establish rates and charges to fund the stormwater management system.

The City currently charges a monthly fee for stormwater services to customers on their utility bills as outlined in Rate Resolution No. 2006-21. The monthly rate is based on a formula that involves a multitude of components and varies for every parcel. The rate formula considers the following variables:

1) Gross area and impervious area of the parcel;
2) Land Use Factor (LUF);
3) A Southwest Florida Water Management District (SWFWMD) permitted water management district (WMD);
4) Service factor (Svc-Fac);
5) Water quality factor (WQ); and
6) Annual budget for the Stormwater Utility Fund.

The City uses a generally accepted industry standard approach to calculating stormwater fees, involving all the listed parameters above arranged in form of an algebraic function to arrive at a unique fee per parcel billed. The following contains the formula for computation, while this report details each component.

$$\text{Parcel ESF} = ((\text{Impervious Area} * .85/3000) + (\text{Pervious Area} * .15/8000)) *$$

$$(\text{LUF} + (\text{WMD} * (1\text{-LUF}))) * (\text{Service Factor})$$

1.2 SCOPE OF SERVICES

The purpose of this Study was to develop a sustainable financial plan and review the existing fee structure for the City's Utility. The objective is for the rate to satisfy the projected cost of providing the desired level of service and provide an equitable allocation of costs to customers through potential modifications to the existing rate structure to enhance the long term sustainability of the Utility.

The core scope of services for the Study are as follows:

- Revenue Sufficiency Analysis (RSA) – Determine the level of revenue required to recover all the Utility's operations, maintenance and capital costs while meeting financial targets and management objectives to develop a multi-year financial

management plan. Conduct a comparable monthly stormwater fee survey of the surrounding communities.

- Billing Unit Analysis – Evaluate parcel data using the Sarasota County Property Appraiser parcel data and perform a detailed analysis of the gross, pervious, and impervious area for each parcel including a data quality assurance and quality control analysis. Perform benchmarking to evaluate the City's stormwater billing unit basis with conformance to industry standard practices.
- Stormwater Rate Design – Review the City's current stormwater fee structure and develop modifications for consideration that enhance the simplicity, defensibility and community understandability. Calculate customer bill impacts associated with the new rate structure.
- Stakeholder Working Group – Conduct interactive sessions with a stakeholder working group regarding the revenue sufficiency analysis, billing unit analysis and stormwater rate design to elicit feedback, guidance, and buy-in for the recommendations.

2. REVENUE SUFFICIENCY ANALYSIS

2.1 DESCRIPTION

This section presents the details of the multi-year revenue sufficiency analysis (RSA) that was conducted by Stantec. The following sub-sections of the report present a description of the source data, assumptions, while Appendix A includes detailed supporting schedules for the financial management plans identified herein for the Utility.

Over the conduct of the RSA, Stantec reviewed several alternative multi-year financial management plans through interactive work sessions with City staff. During these work sessions, Stantec examined the impact of various inputs and assumptions upon key financial indicators, summarizing the results of the forecasting model under various conditions. In this way, local financial and operating information was incorporated, and management input was considered as Stantec developed the recommended financial management plan for the Utility. The result is a financial plan that makes use of the City's current and best assumptions and data to satisfy the Utility's revenue requirements over a multi-year projection period, while meeting key financial performance objectives and minimizing fee adjustments to the greatest extent possible.

In order to initiate the RSA, Stantec obtained the City's historical and budgeted financial information regarding the operation of its Utility, as well as information pertaining to any available cash balances attributable to stormwater operations at the beginning of FY 2020 (October 1, 2019), future year operating expenditure requirements, and the planned capital improvement program (CIP). Stantec also discussed with City staff other assumptions and policies that would affect the performance of the Utility, such as planned developments/customer growth, capital funding sources, debt coverage and fund reserve levels, earnings on invested funds, escalation rates for operating costs, and other considerations.

During the evaluation, Stantec performed a review of the City's proposed operations and maintenance budget, rehabilitation and replacement program, and planned water quality projects to provide an opinion on appropriate spending for the cost requirements of the City's stormwater system for its identified level of service.

This information was entered into the financial module of Stantec's proprietary Financial Analysis and Management System (FAMS) interactive modeling system. This module of FAMS produced a 10-year projection of the sufficiency of the revenue provided by stormwater fees to meet current and projected financial requirements. Based upon these projections, Stantec then determined the level of revenue necessary in each year of the projection period to satisfy the

Utility's annual financial requirements and more specifically, the level of revenue necessary in FY 2021 for which the level of fees will be based upon.

The revenue sufficiency and financial planning module of FAMS utilizes all projected available funds in each year of the projection period to pay for capital projects. The model is set to reflect the rules of cash application as defined and applied by City Staff, and it produces a detailed summary of the funding sources to be used for each project in the CIP. To the extent that current revenues and unrestricted reserves are not adequate to fund all capital projects in any year of the projection period, the model identifies a borrowing requirement to fund those projects or portions thereof that are determined to be eligible for borrowing. In this way, FAMS is used to develop a borrowing program that includes the required borrowing amount by year and the resultant annual debt service requirements for each year in the projection period.

2.2 SOURCE DATA

The following sections describe the various source data and assumptions supporting the System revenue requirements identified during the Study.

2.2.1 Beginning Fund Balance

The City provided the detailed 2019 trial balance that served as the basis for the FY 2020 beginning fund balances as of October 1, 2019.

2.2.2 Revenues

The Utility's revenue sources consist of stormwater fee revenue and interest income. FY 2021 projected stormwater fee revenue is based upon the estimated revenue to be collected at the end of FY 2020 (September 30, 2020), with the application of assumed growth in stormwater accounts. Stormwater fee revenue projections for the remainder of the projection represent FY 2021 projected revenues adjusted for assumed account growth and future projected fee adjustments.

2.2.3 Operating Expenditures

The Utility's operating expenditures include all operating and maintenance (O&M) and personnel expenditures. The RSA based the operating expenditure projections on the individual expense categories and expense amounts contained in the FY 2020 Adopted Budget and FY 2021 Proposed Budget. The FY 2021 Proposed Budget includes additional fleet costs as well as repair and maintenance costs, such as pipe relining and taking over stormwater infrastructure previously maintained by Sarasota County. The Utility has identified these additional costs as necessary to provide the minimum level of service. Projected operating

expenditures and cash outflows (excluding the capital program) are presented in Schedule 4 of Appendix A.

2.3 ASSUMPTIONS

2.3.1 Cost Escalation

Annual cost escalation factors for the various categories of operating and maintenance expenses were developed based upon discussions with City staff, a review of historical trends, and Stantec's industry experience. The escalation factors agreed upon with City staff for each expense line item were applied to the projections starting in FY 2022, with the exception of the Repairs & Maintenance (R&M) pipe lining costs, capital lease – fleet costs and fleet rent/depreciation costs. A list of the specific escalation factors can be found on Schedule 5 of Appendix A.

2.3.2 Interest Earnings

Stantec calculates interest earnings revenue based on available fund balance throughout the forecast period. The Study reflects assumed interest earning rates on invested funds of 1.25% throughout the entirety of the forecast period.

2.3.3 Customer Growth Assumptions

The Utility has seen a steady increase in customer accounts year over year, mostly in the eastern portions of the service area. As such, an assumption of 1.00% growth in stormwater billing units has been applied for each year of the projection period.

2.3.4 Minimum Reserve Policy

Reserve balances for utilities are funds set aside for a specific cash flow requirement, financial need, project, task, or legal covenant. These balances are maintained to meet short-term cash flow requirements and 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 place a significant emphasis on having sufficient reserves available for potentially adverse economic 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.

The City's operating reserve target is calculated based on total annual O&M and capital expenditures. The Utility targets and budgets for a minimum reserve of four months' worth of O&M and capital expenditures.

2.3.5 Capital Improvement Program

Planned capital improvements provide an opportunity to mitigate flooding in targeted areas and improve the quality of stormwater runoff by removing pollutants before it reaches receiving bodies of water. Historically, the Utility has heard vocalized concerns and encouragement to provide capital projects to improve water quality in the City's important waterbodies regulated under the Clean Water Act. The City is a coastal community with stormwater flowing into the Gulf of Mexico, Intercoastal waterway, Curry Creek, Hatchett Creek, and Roberts and Dona Bays. Maintaining good water quality is important to the City and the community. As such, the capital improvement program primarily consists of water quality related projects such as outfall improvements, and offline treatment areas. The RSA assumes that the level of planned spending related to water quality projects will include a phased approach, starting at $250,000 in FY 2021, increasing up to $1,000,000 by FY 2024. A full schedule of the water quality projects, and annual costs can be found on Schedule 6 of the Appendix.

2.4 FINDINGS & RECOMMENDATIONS

Based on the source data and assumptions presented herein, and the results of multiple discussions held with City staff and an independent Stakeholder Working Group further defined in Section 5 of this report, the RSA resulted in the following findings and recommendations relative to the financial sustainability of the Utility:

- The Utility is proposing an approximately $600,000 increase in the O&M budget in FY 2021 and a $250,000 capital improvement budget designated for water quality projects.
- The level of current stormwater revenues is not sufficient to cover the Utility's operations and maintenance and capital requirements in FY 2020 or any year thereafter.
- Stantec recommends the Utility increase the level of stormwater fee revenue collected in FY 2021 to cover the budgeted deficit from FY 2020 and to fund all cost requirements in FY 2021. Table 2-1 provides an outlook of future revenue adjustment needs.

Table 2-1: Calculated Revenue Adjustment Plan

Year	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Revenue Adjustment	47.86%	36.00%	17.00%	11.00%	1.00%

- Stantec recommends that the City perform annual revenue sufficiency analyses each year to determine if the annual rate revenue plan is adequate, such that the current level of service can be upheld and the burden placed on the rate payers remains minimal.

Appendix A includes detailed supporting schedules, presenting all components of the financial management plan developed for the Utility.

3. STORMWATER BILLING UNIT ANALYSIS

Stormwater management efforts are fundamentally faced with the systematic management of stormwater runoff in a community, which is primarily driven through the quantity and quality of stormwater delivered from the property base. The City's System serves the property base of the community by receiving the runoff from parcels during storm events and conveying the water to receiving bodies. This critical function provides the protection of private property from flooding during adverse storm events and maintains clear and passable roads so that parcels are accessible. Additionally, the City manages its stormwater to improve the quality of runoff entering receiving bodies of water in accordance with environmental regulations.

The City currently collects revenue through a monthly stormwater fee that is levied on the monthly utility bill for properties with utility service. The current fee requires several key parcel characteristics to calculate an accurate fee using the current formula for each individual parcel. Characteristics such as the square fee of pervious area and impervious area, designation as to whether the parcel is covered by a Southwest Florida Water Management District permit and a specific land use factor are all assigned to a parcel. A significant amount of time has elapsed since the city revisited its current billing units and ensured their accuracy for the purposes of stormwater billing. This is especially important in that the City's current stormwater fee structure results in a unique fee per parcel.

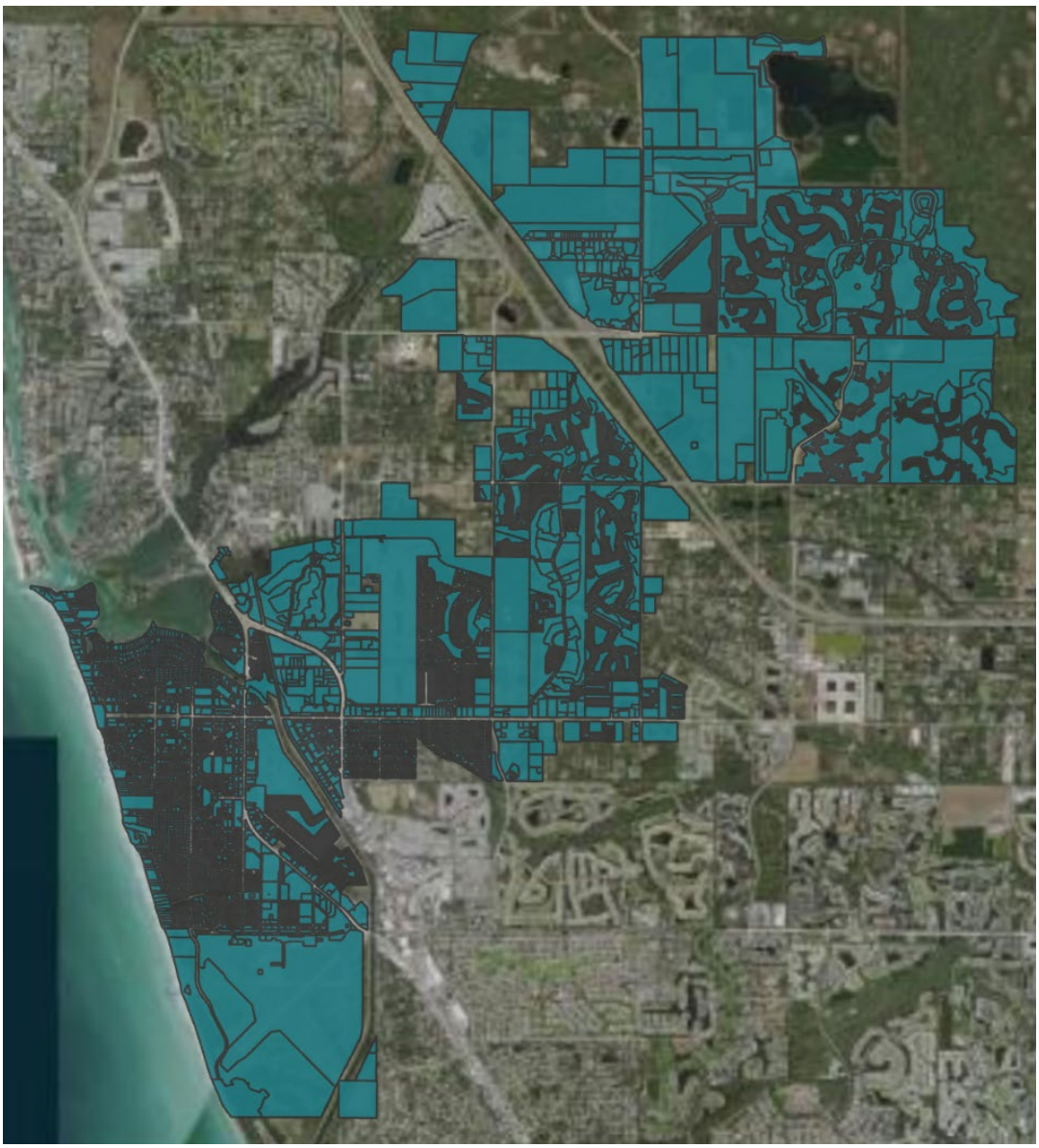
3.1 STORMWATER BILLING UNIT UPDATE

In order to ensure the ongoing accuracy of the stormwater billing in City, Stantec provided two options for the City's consideration to update the stormwater billing units of impervious area per parcel. The first option used the existing parcel data from the Sarasota County Property Appraiser's (SCPA) office, which provides an off the shelf data source for impervious area but has limitations on accuracy. The second option uses Geospatial tools commonly referred to as GIS to measure impervious area using aerial imagery data. The tradeoff is one of accuracy versus cost. The SCPA data is readily available but since it was not initially collected or intended to provide estimates of impervious area it can be less accurate than the GIS measurements. The SCPA data can be arranged in a fashion that provides for a reasonable estimate of impervious area on each parcel by accounting for permitted fixed structures like buildings, concrete pavement or accessory structures. Often, this means that impervious area that was installed without a permit may not be captured. It usually does not include driveways, sidewalks and other impervious area that would not have a taxable value to capture. On the other hand, using GIS data captures all visible impervious area on a parcel and then computes that total amount of impervious area per

parcels in square feet. The cost of the GIS analysis is often double that of using the Property Appraisers data.

For the purpose of this update, the City selected to use the readily available Property Appraiser's data as the basis for the update of stormwater billing data. As such, Stantec gathered three primary data sets from the SCPA: 1) the parcel records for the City of Venice, 2) county wide structure sketch data and 3) county wide extract features data. Figure 3-1 displays the City's current parcel inventory as of the time of the analysis with 17,682 parcels encompassing 198 active land uses.

Figure 3-1: Venice Parcel Map and Study Area



To create updated impervious area estimates, each parcel sketch attributes, and extra features were analyzed to determine if they met the following criteria: 1) an element of impervious area and 2) recorded in square footage universally on all parcels. Table 3-1 and Table 3-2 display the parcel characteristics that met the two-pronged criteria.

Table 3-1: Sketch Impervious Area Elements Included

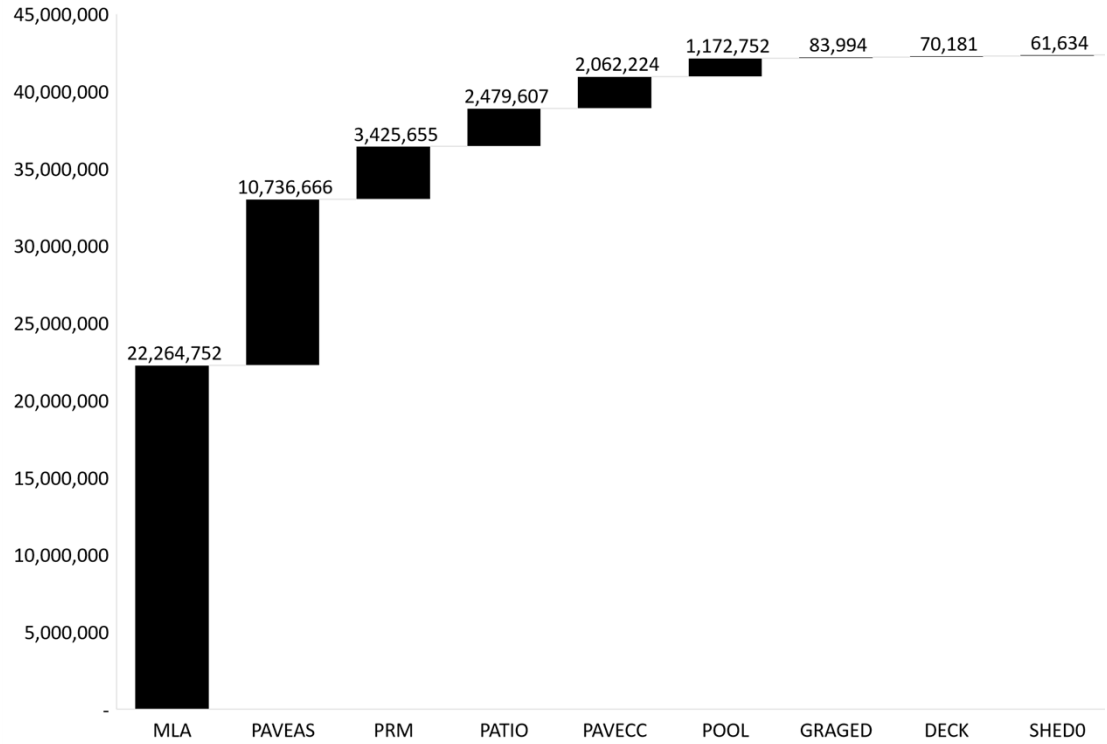
Subarea	Full Name	Count	Area (sqft)
WDK	Wood Deck Attached	327	60,446
AGA	Att Garage Avg	7,638	3,570,891
UTL	Utility Average	3,923	446,530
MLA	Main Living Area Res/Condo	16,517	22,952,746
OPA	Open Porch, Average	11,684	1,771,766
PTG	Patio, Good	477	73,070
LLA	Lower Living Area - Res/Condo	18	16,747
PAT	Patio, masonry	320	66,859
SPA	Screened porch, Average	7,277	1,019,869
CPA	Carport, Average	1,944	559,087
AGG	Att Garage Good	17	32,467
CPF	Carport, Fair	88	30,098
EPG	Enclosed Porch, Good	773	183,612
EPA	Enclosed Porch, Average	3,034	451,301
OPF	Open Porch, Fair	2,896	289,504
PTF	Patio, Fair	776	113,176
UTF	Utility Fair	100	42,844
DCK	Loading Dock	50	84,524
PRM	Main Area Commercial	2,280	10,168,221
CYF	Canopy, Fair	311	193,455
CPY	Canopy, Average	246	231,928
UTG	Utility Good	53	80,934
CYG	Canopy, Good	36	22,228
CYE	Canopy, Excellent	31	32,485
SPF	Screened porch, Fair	495	81,738
SPG	Screened porch, Good	55	12,887
EPF	Enclosed Porch, Fair	16	4,669
OPG	Open Porch, Good	60	12,975
CPG	Carport, Good	8	3,206
AGF	Att Garage Fair	11	9,022
CBG	Mobile Home Cabana, Good for MH	296	68,955
CBA	Mobile Home Cabana, Avg for MH	110	20,065

Table 3-2: Extra Impervious Area Element Included

Extra Features	Count	Area (sqft)
POOL	3,374	1,177,202
SPA	1,320	60,774
PATIO	4,840	2,583,793
PAVEAS	487	11,593,229
PAVECC	380	2,173,062
DECK	185	77,747
GRAGED	146	83,994
SHED	100	25,904
CARPRT	93	59,763
SHED0	906	67,260
SHUFFL	11	3,800
TENNIS	8	57,000

To create a singular estimate of impervious area for each parcel in the service area, elements in Tables 3-1 and 3-2 were then summated. The result was over 44 million square feet (sq. ft.) of identified impervious area attached to billable parcels within the service area. Figure 3-2 displays the most common elements that were identified by type and total square feet. Most of the impervious area that was identified was found in buildings and pavement features.

Figure 3-2: Impervious Area by Element



The next component of the analysis included a comparison of the newly summated impervious area completed as part of this analysis to the currently billed impervious area database. That process illuminated serval variances between the Property Appraiser impervious area data and the current database that warranted further action. Most notably, the Property Appraiser data includes very little information for impervious area on multi-family land use such as condos, leading to an under count in the amount of impervious area present on the parcel. In these situations, City staff revised the SCPA impervious area estimate that more closely approximated the impervious area present on each parcel based on a desktop inspection using aerial imagery. The resulting total impervious area is over 59 million square feet as indicated in Table 3-3.

Table 3-3: Total Parcel Characteristics Area

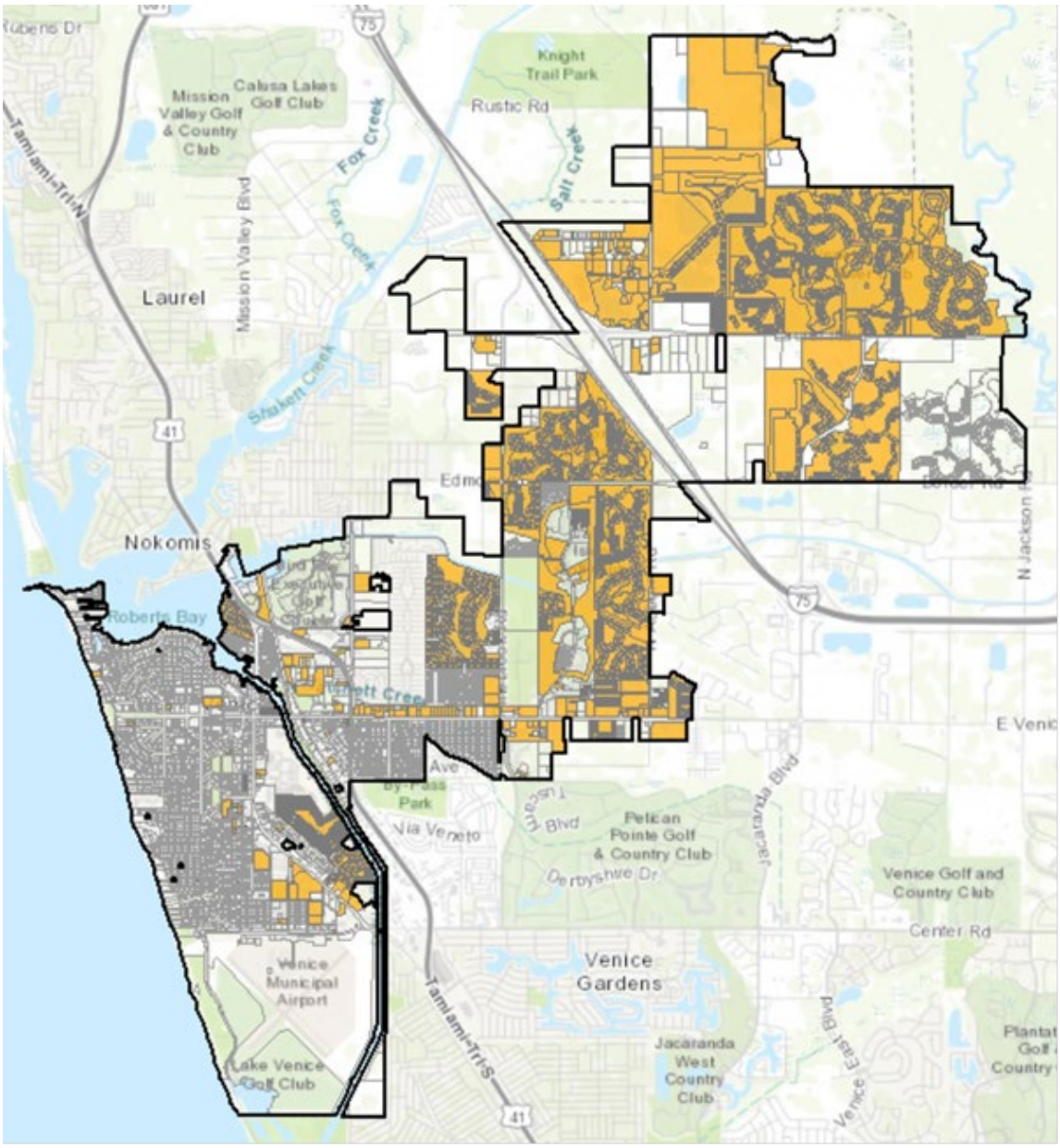
	Number of Parcels	Gross Area (Sqft)	Impervious Area (Sqft)
Total	**9,775**	**316,162,591**	**59,146,702**

Once completed, the impervious area measurements served as a foundational element to the rest of the analysis by providing updated billing units.

3.1.1 Water Management District Designation (WMD)

The City's current stormwater fee structure considers each parcel's inclusion in a water management permitted area when calculating stormwater fees. The distinction indicates that a parcel is served by a private stormwater asset(s) such as retention or detention facilities that provide some level of attenuation and treatment prior to entering the City's stormwater system. The City tracks all permitted facilities within the service area but relating permitted structures to billed parcels and billed stormwater accounts requires a cross walk using GIS. Stantec completed an update of this cross walk as part of the Study and identified 4,688 parcels/accounts that should receive this designation. Figure 3-3 displays in orange the parcels identified within the City's service area as having an active WMD.

Figure 3-3: Water Management District Parcels



3.2 STORMWATER FEE STRUCTURE

The City of Venice has had a stormwater utility and stormwater fee in place since the early 1990s. Stantec reviewed the fee, the City's key objectives and provided recommendations to the City and Stakeholder Working Group in order to modernize and simplify the current structure. The current fee is non-industry standard in that it calculates a unique fee for each parcel and uses numerous parcel characteristics to determine each parcel's allocation of equivalent stormwater units (ESF). The calculation to determine a parcel's ESF is below:

Parcel ESF = ((Impervious Area * .85/3000) + (Pervious Area * .15/8000)) *

(LUF + (WMD * (1-LUF))) * (Service Factor)

Impervious area prevents or impedes the infiltration of stormwater into the soil as compared to the way it entered in natural conditions prior to development. Common impervious surfaces include but are not limited to rooftops, sidewalks, walkways, patio areas, driveways, parking lots, storage areas, compacted gravel and soil surfaces, paver bricks, stones, swimming pools, and other surfaces.

Pervious area means land surfaces which allow the penetration of water into the ground.

Land use factor (LUF) is a factor used to assess the relative degree of stormwater pollutant concentrations from typical properties with a variety of land uses for the purpose of calculating stormwater fees. Vacant land is used as a baseline with a LUF of 1.0. All other properties within the city are charged a LUF based on the average levels of stormwater pollutants generated from a property within its land use, as defined by the city land development code (Chapter 86), as compared to average levels of stormwater pollutants generated from typical vacant land.

Treatment factor (WMD) parcels that have active SWFWMD permitted stormwater management systems that are in compliance with the annual certification required in Section 74-297 of the Venice City Code of Ordinances will calculate an “Effective LUF” of 1.0 and receive a discount compared to other parcels that have not contributed such systems.

Service factor is a factor assigned to relate the amount of stormwater service provided to a property by the city to the final stormwater fee for individual properties. Stormwater services provided to properties include but are not limited to operation and maintenance of the stormwater conveyance system; storm sewer construction, replacement and retrofit; enforcement and inspections; regulatory compliance; and public education. Service factors are available for mobile/manufactured homes at 0.90 and golf courses at 0.60.

3.2.1 Fee Modifications

After detailed discussion with City staff and the Stakeholder Working Group this Study focused its efforts in improving the current stormwater fee structure as opposed to making wholesale changes to the formula. The recommended modifications were aimed widely at simplifying the application of the fee where possible and ensuring the correct appointment of cost to parcels in the City’s stormwater service area to enhance defensibility.

Upon reviewing the detailed parcel data, Stantec further considered the appropriate fee mechanism for charging parcels to arrive at a recommended stormwater utility fee structure. There are three typical approaches used to develop fee structures in the stormwater industry. These approaches include the following:

- Flat Fee - All parcels within a customer class are charged a flat fee based on the average impervious area for the class. This approach is often used for single-family residential parcels within communities that do not have measurements of impervious area for these parcels or when the community contains a very homogenous distribution of impervious area among single-family residential properties.

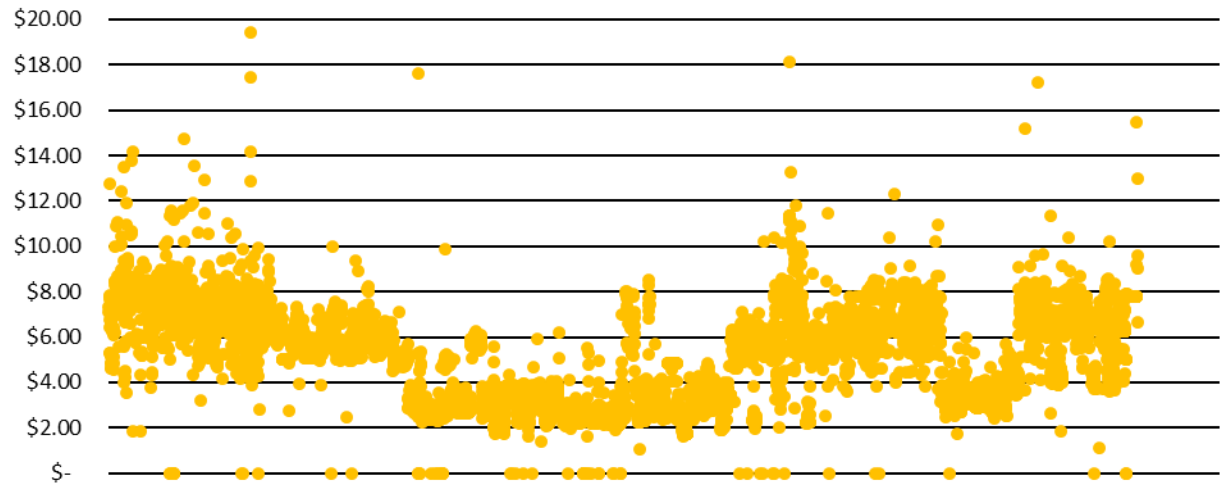
- Tiered - Properties are placed into tiers based on the actual impervious area on the individual parcel and charged a stormwater utility fee based on their associated tier. This approach is commonly used for single-family residential parcels among communities with a wider distribution of impervious area and enough impervious area per parcel data to support the structure.

- Parcel Specific - Parcels are charged a stormwater utility fee based on the actual measured impervious area on the individual parcel. While there are communities that have implemented stormwater utility fee structures that are based on actual impervious area for all customer classes, such as the City, this structure is typically applied to non-single-family residential, commercial, and industrial parcels. The significant variation in the impervious area on these parcels precludes the use of tiered or flat fee structures.

Tiered Single-Family Residential Fee Recommendations

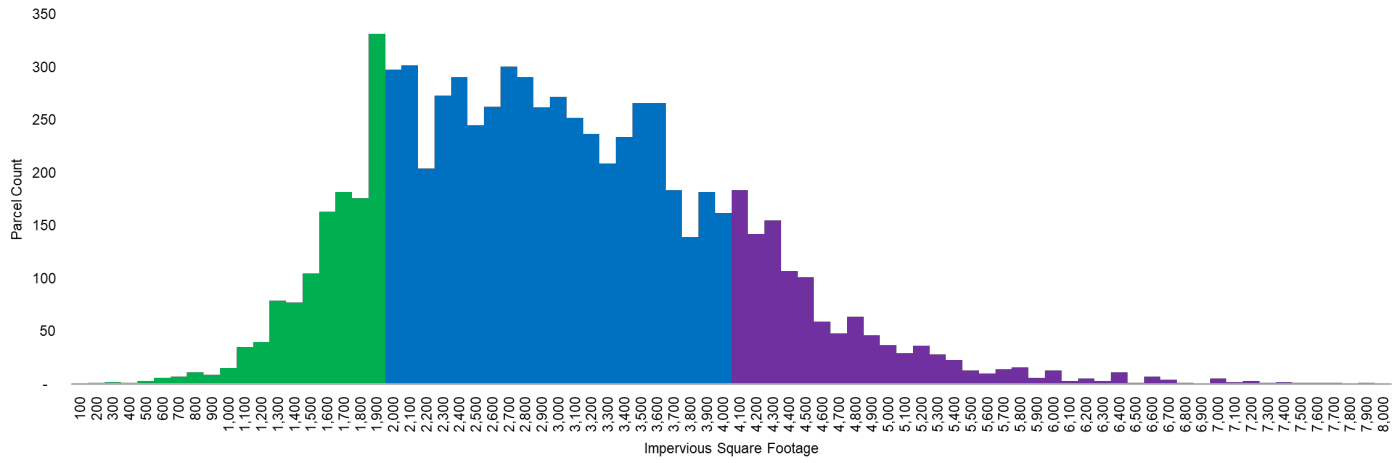
Single family residential parcels comprise the largest land use class of parcels in the City's service area, with over 7,400 parcels designated to that land use by the SCPA. The City's current fee assess an individual fee to each of these parcels based on its exact development characteristics. Figure 3-4 presents a dot plot of all current single-family parcel stormwater fees. Observationally, while the fees are unique, the development characteristics of single-family homes tend to be very similar to one each other, this results in a clustering effect with regards to the current fees. The average fee is $5.23, but the frequency of the average is quite low, meaning a good portion of single-family home pay a bit more than average and some pay less.

Figure 3-4: Current Single-Family Fees



Based on the relative similarity in single family home developmental characteristics from one to each other and general industry practices, Stantec recommends that the City consider using a tiered approach to assessing fees for stormwater. Tiers allow for administrative simplicity but also differentiate fees for single family home parcels that have developmental characteristics that are statistically different than the average. Figure 3-5 displays the impervious area distributions for single family homes within the service area. The distribution is normally distributed, meaning that many observations revolve symmetrically around a mean. One standard deviation has been used in order to construct tier boundaries and are shown in the green (tier 1), blue (tier 2), purple (tier 3) colors. Setting the tier break points using one standard deviation ensures that they are not arbitrary and provide meaningful differentiation.

Figure 3-5: Single-Family Distribution and Tiers



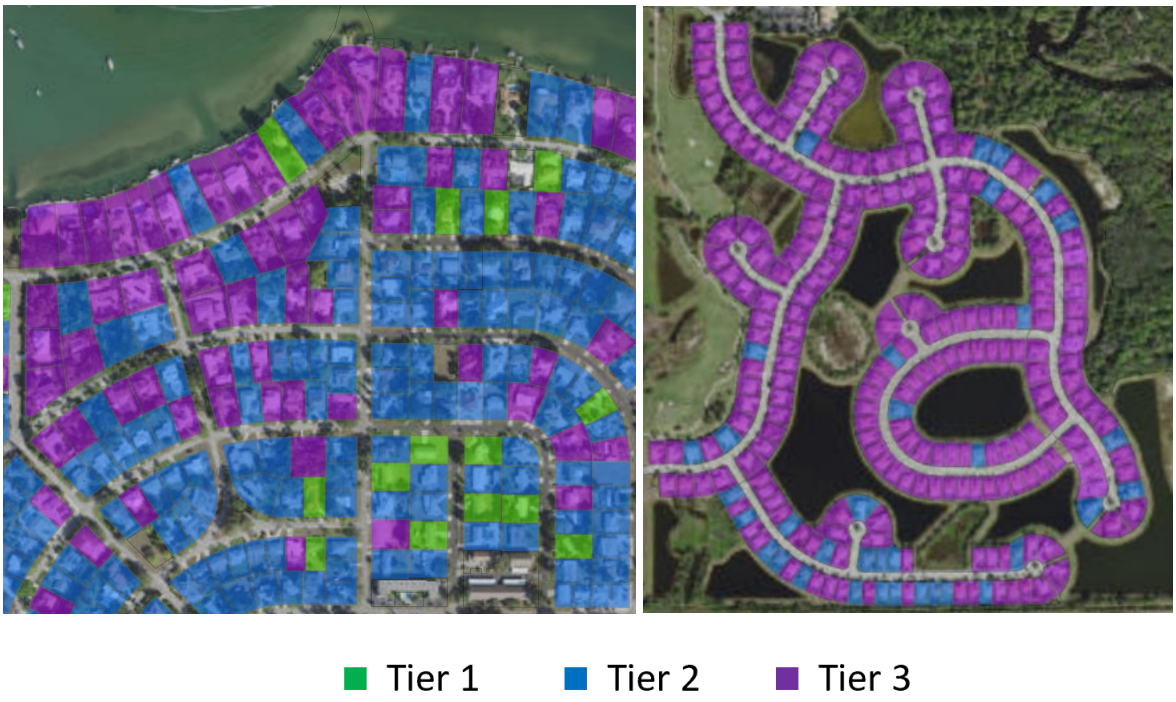
Once the tier boundary analysis was completed Table 3-4 could be populated which displays the important characteristics of billable stormwater units by tier. The average gross area was utilized for each tier once a parcel was assigned a tier based on their measured impervious area. Average pervious area was then calculated by reducing the gross area by the impervious area since the City's stormwater fee structure requires both impervious and pervious area to produce a stormwater fee. The tier analysis results in a set of impervious and pervious billing units that can be applied uniformly to parcels once placed into one of the three tiers based on their measured impervious area. This fee modification will greatly reduce the number of unique fees calculated and administered but differentiate the fee when meaningful difference in parcel characteristics exist.

Table 3-4: Single-Family Tiers and Billing Units

Tier	Impervious Range	Number of Parcels	Gross Area (Sqft)	Impervious Area (Sqft)	Pervious Area (Sqft)
Tier 1	<1,900	1,087	8,500	1,600	6,900
Tier 2	≥1,900 ≤4,000	5,277	9,400	2,800	6,600
Tier 3	>4,000	1,372	13,900	4,400	9,500

Figure 3-6 displays two example neighborhoods with a large portion of single-family homes present and tiers assigned to each parcel using color to denote each tier, green (tier 1), blue (tier 2), purple (tier 3). In the image to left on the northern island, the observer can clearly see that parcels with more impervious are on the intercostal boundary and parcel with less impervious are in the interior of the island. The neighborhood shown on the right is from a newer centrally planned community east of interstate 75, in this case the homes have much larger footprints of impervious area and often fall into the purple tier 3.

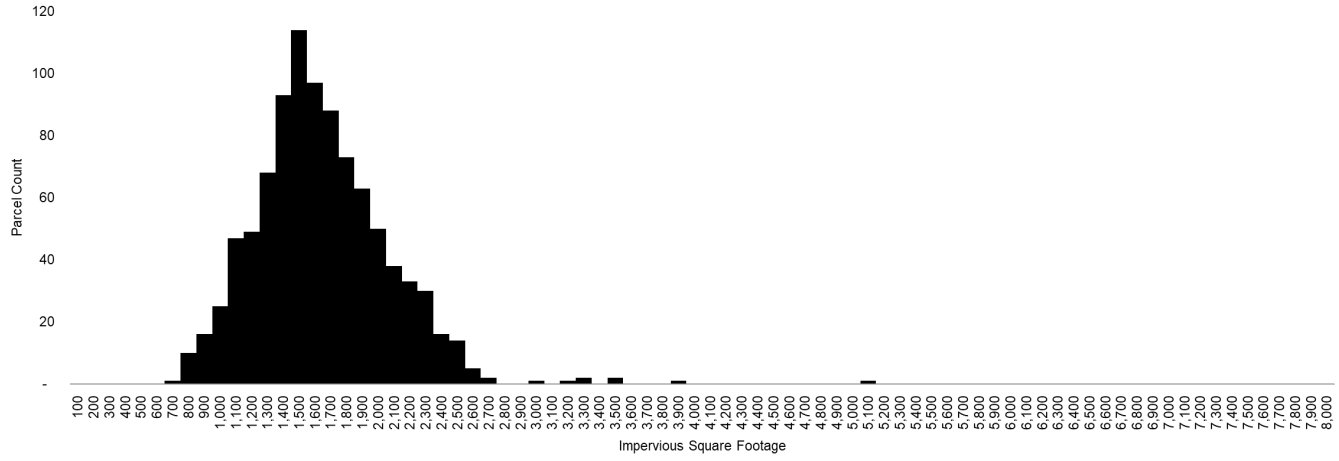
Figure 3-6: Single-Family Tier Examples



Manufactured Home Fee Recommendations

In addition to single family homes, the City has another significant group of parcels developed with manufactured homes. There are 939 manufactured homes that are individually platted and then an additional 3 large master platted parcels that contain another 1,760 parcels, for a total of 2,699 manufactured homes in the service area. Common industry practices would apply a flat fee or tiered fee much like single family homes to this grouping of customers, given that their developmental characteristics are very similar to one each other. Figure 3-7 shows the impervious area distribution of the individually platted manufactured homes are very similar to each other with an average impervious area of 1,592. Stantec recommends that the City consider assessing stormwater fees in flat manner for manufactured homes based on the average impervious area.

Figure 3-7: Manufactured Home Impervious Area Distribution



Using the average impervious area for manufactured homes Table 3-5 displays the parcel characteristics that are recommended for assessing a flat fee to all manufactured home parcels.

Table 3-5: Manufactured Home (MH) Billing Units

	Impervious Range	Number of Units	Gross Area (Sqft)	Impervious Area (Sqft)	Pervious Area (Sqft)
Per MH	All	2,699	3,485	1,592	1,893

Measured Parcel Fee Recommendations

The remaining stormwater parcels are associated with land uses that do not display the same level of homogeneity as single-family homes or manufactured homes and they often differ substantially from one another. Including in this classification of parcels are condo buildings, multifamily properties including single-parcel mobile home parks, commercial properties, golf courses, and vacant parcels of all shapes and sizes. Recognizing the diversity of the remaining parcels in the service area the most appropriate fee structure is one that treats each parcel as an individual, based on the observed parcel characteristics present: gross area, impervious area, and pervious area. Using a measured fee approach ensures that each parcel's fees are sized appropriately. Figure 3-8 displays a distribution of impervious area on the measured parcels in the City's service area. The distribution illuminates the clear lack of a normal distribution and there are several parcels that are not shown due as their impervious well exceed the x axis's rage of 50,000 sqft.

Figure 3-8: Measured Parcel Impervious Area Distribution

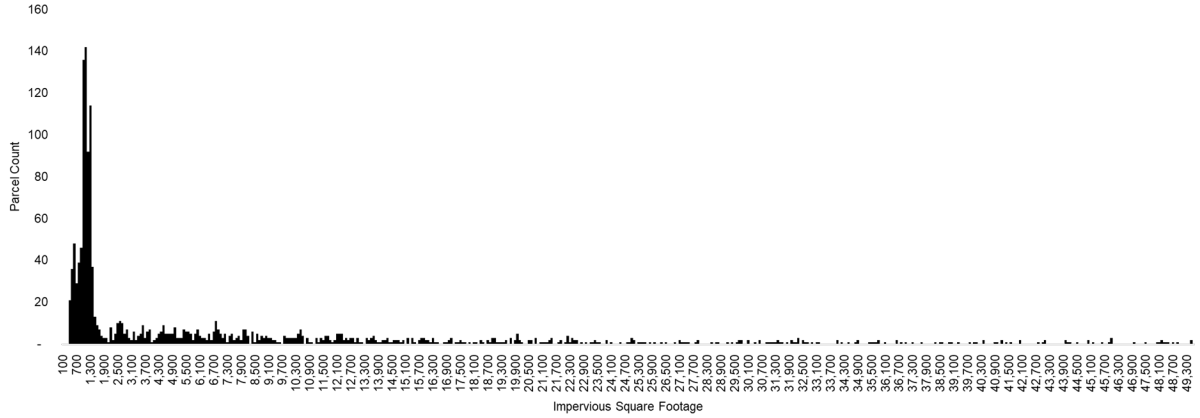


Table 3-6: Measured Accounts Billing Units

	Impervious Range	Number of Accounts	Gross Area (Sqft)	Impervious Area (Sqft)	Pervious Area (Sqft)
Per Parcel	All	1,066	Per Parcel	Per Parcel	Per Parcel

Water Quality Fee Recommendations

In addition to the operations and maintenance fee shown at the beginning of Section 3.3, the City currently charges a $.48 administration charge per dwelling unit/account. The original intent of this portion of the fee was to recover billing, customer services and account maintenance expenses. The City has expressed significant interest in converting this fee to a water quality fee in order to generate revenue that could be dedicated to investing in water quality related capital projects. Stantec evaluated several bases for a water quality fee and discussed the following three options with City staff and the Stakeholder Working Group:

Flat fees- levied on a per parcel basis regardless of the type, size or other characteristics

Impervious area based fees- based on the square footage of developed hard surfaces, impervious area, on the parcel

Gross area based fees- based on the size of the parcel as determined from the SCPA

Ultimately gross area was selected as the basis or unit of measurement to size the water quality fee. A flat fee was considered undiscriminating especially given that one parcel to the next can vary widely in its contributions to stormwater loadings that the City's system must manage. Impervious area already forms the main basis of the O&M fee and thus would be repetitive to

use for the water quality fee. Gross area therefore represents the best alternative analyzed in the analysis and uses readily available data.

In order to simplify the administration of a water quality fee it is recommended that for single family, mobile and manufactured homes, condominiums, and multifamily parcels a per dwelling unit fee is used based on the average gross area per single family home, which is 9,469 sqft.

After reviewing the estimated impacts of the water quality fee with City staff and the Stakeholder Working Group, it was determined that the customer impacts to large gross area parcels would be excessive. As such, a cap on billed gross area was instituted at 5 million sq. ft. for purposes of the water quality fee only. The cap effectively creates a celling by which water quality charges can go no higher. Only a handful of parcels are affected by the cap including four golf courses and the City's municipal airport.

3.3 CALCULATED STORMWATER UTILITY FEES

The revenue requirement identified for the Utility in FY 2021 represents the level of revenue necessary to cover the personnel expenditures, day to day operating expenditures, capital improvement projects, and repair and maintenance activities of the System. Table 3-7 presents the calculated annual stormwater operations and maintenance utility fee per equivalent stormwater unit (ESF) and Table 3-8 the equivalent water quality fee per unit (EWQU) based on the respective identified revenue requirements.

Table 3-7: Monthly O&M Fee Calculation

Funding Level	Revenue Required
Total Annual Revenue Requirement	**$2,181,849**
Assessable ESFs	31,080
Annual Fee Per ESF	**$70.20**
Monthly Fee Per ESF	**$5.85**

Table 3-8: Monthly Water Quality Fee Calculation

Funding Level	Revenue Required
Total Annual Revenue Requirement	**$225,015**
Assessable EWQUs	35,380
Annual Fee Per EWQU	**$6.36**
Monthly Fee Per EWQU	**$0.53**

After the calculated fee per ESU and EWQU was determined, it was possible to calculate the resulting annual stormwater fees for the three customer classes: single-family residential with three residential tiers at differing LUF factors presented in Table 3-9; manufactured homes in Table 3-10 and all other parcels as measured in Table 3-11.

Table 3-9: Calculated Single-Family Residential O&M Fees

Tier	LUF	ESU Allocation	Monthly FY 2021
Tier 1 (Impervious 0– 1,900 Sqft)	1	.58	$3.39
	1.1	.64	$3.74
	1.3	.76	$4.45
	1.6	.93	$5.44
Tier 2 (Impervious 1,901 – 4,000 Sqft)	1	.92	$5.38
	1.1	1.01	$5.91
	1.3	1.19	$6.96
	1.6	1.47	$8.60
Tier 3 (Impervious >4,600 Sqft)	1	1.42	$8.31
	1.1	1.57	$9.18
	1.3	1.85	$10.82
	1.6	2.28	$13.34

Table 3-10: Calculated Manufactured Home O&M Fees

	LUF	ESU Allocation	Monthly FY 2021[1]
Flat Fee	1.6	.74	$4.10

Table 3-11: Calculated Measured O&M Fees

	LUF	ESU Allocation	Monthly FY 2021
Applied per parcel per ESU		1	$5.85

[1] Includes .95 service factor

Using the EWQU, the calculated water quality fees are presented in Table 3-12.

Table 3-12: Calculated Water Quality Fees

	EWQU Allocation	Monthly FY 2021
Per Single family home or multifamily unit	1	$.53
All other parcels per every 9,469 sqft of gross parcel area	1	$.53

3.4 STORMWATER UTILITY CUSTOMER BILL IMPACTS

As part of evaluating changes to the City's stormwater fee structure, Stantec calculated bill impacts to compare the current stormwater fees charged by the City to the calculated stormwater utility fees presented herein. Given that the City currently charges a unique fee to every customer, a representative sampling was used to display the impact of the proposed fee modifications, which will result in different impacts for each parcel and account.

3.4.1 Single-Family Residential Monthly Bill Impacts

By way of the recommended fee structure, residential single-family homes will fall into one of three tiers based on the impervious square footage of their property, resulting in 12 different fee combination once the varying LUFs are considered. The following Table 3-13 provide examples of various single-family residential households and the bill impact that can be expected based on the recommendations herein which include revenue enhancements over current levels and fee structure modifications. Observationally, the monthly change that a single-family home will experience is dependent on the current fee level LUF and new tier assignment, resulting in a wide range of outcomes. While the percentage change in some cases is significant, the dollar change is moderate in relation to the total utility bill.

Table 3-13: Monthly Single-Family Residential Customer Bill Impacts

Customer Type	Current Bill	FY 21 Calculated O&M	FY 21 Calculated WQ	FY 21 Calculated Total	Change $	Change %
Single Family Home	$ 2.94	$ 3.39	$ 0.53	$ 3.92	$ 0.98	33%
Single Family Home	$ 3.98	$ 5.38	$ 0.53	$ 5.91	$ 1.93	49%
Single Family Home	$ 5.80	$ 5.44	$ 0.53	$ 5.97	$ 0.17	3%
Single Family Home	$ 6.90	$ 6.96	$ 0.53	$ 7.49	$ 0.59	9%
Single Family Home	$ 5.96	$ 5.38	$ 0.53	$ 5.91	$ (0.05)	-1%
Single Family Home	$ 5.88	$ 8.31	$ 0.53	$ 8.84	$ 2.96	50%
Single Family Home	$ 2.91	$ 5.38	$ 0.53	$ 5.91	$ 3.00	103%
Single Family Home	$ 3.43	$ 5.38	$ 0.53	$ 5.91	$ 2.48	72%
Single Family Home	$ 5.24	$ 5.38	$ 0.53	$ 5.91	$ 0.67	13%
Single Family Home	$ 5.47	$ 8.31	$ 0.53	$ 8.84	$ 3.37	62%
Single Family Home	$ 5.34	$ 5.44	$ 0.53	$ 5.97	$ 0.63	12%
Single Family Home	$ 7.25	$ 10.82	$ 0.53	$ 11.35	$ 4.10	57%
Single Family Home	$ 3.08	$ 5.38	$ 0.53	$ 5.91	$ 2.83	92%
Single Family Home	$ 2.94	$ 8.31	$ 0.53	$ 8.84	$ 5.90	201%
Single Family Home	$ 8.49	$ 9.18	$ 0.53	$ 9.71	$ 1.22	14%
Single Family Home	$ 10.45	$ 9.18	$ 0.53	$ 9.71	$ (0.74)	-7%
Single Family Home	$ 9.39	$ 5.91	$ 0.53	$ 6.44	$ (2.95)	-31%
Single Family Home	$ 8.19	$ 9.18	$ 0.53	$ 9.71	$ 1.52	19%

3.4.2 Monthly Non Single-Family Residential Bill Impacts

Non single-family parcels have unique fees based on the current structure and are recommended to have unique fees based on their parcel characteristics going forward. Table 3-14 provides examples of various non single-family parcels and the fee impact that can be expected based on the recommendations herein which include revenue enhancements over current levels and fee structure modifications.

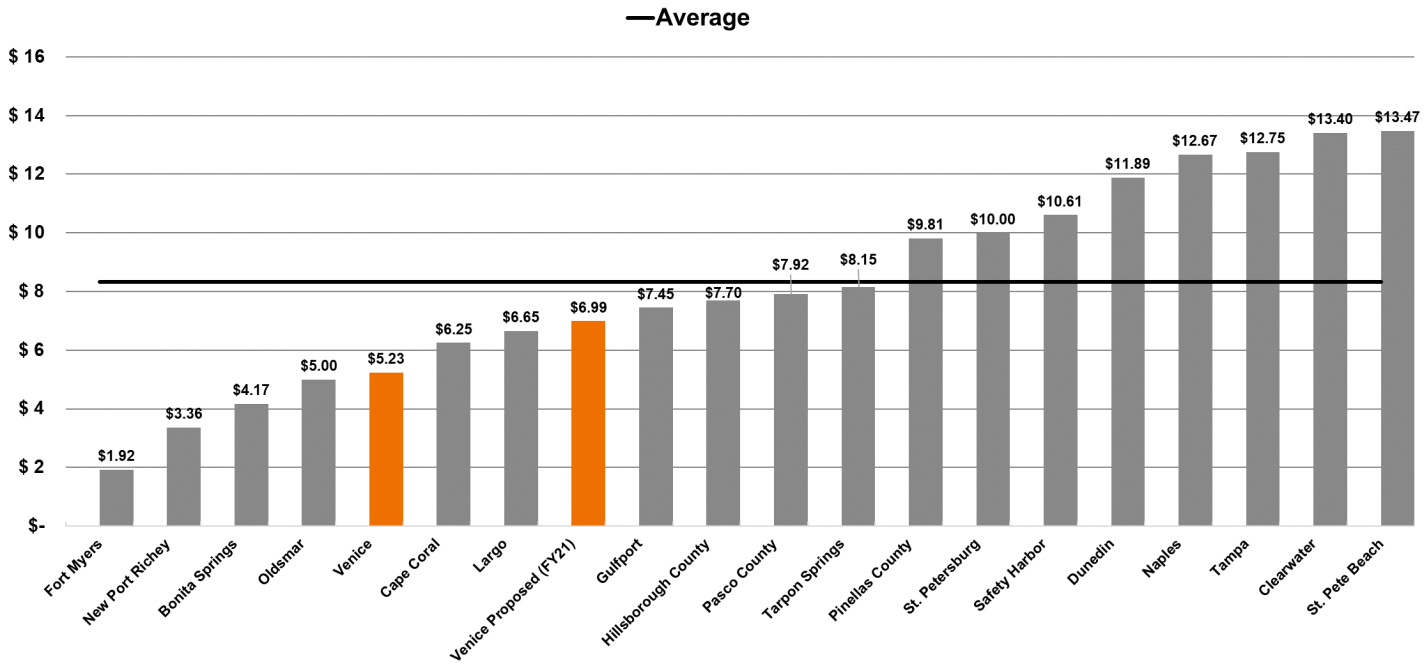
Table 3-14: Monthly Non Single-Family Residential Customer Bill Impacts

Customer Type	Current Bill	FY 21 Calculated O&M	FY 21 Calculated WQ	FY 21 Calculated Total	Change $	Change %
Restaurant	$ 92.38	$ 112.44	$ 2.09	$ 114.53	$ 22.15	24%
Supermarket	$ 919.07	$ 915.35	$ 27.69	$ 943.04	$ 23.97	3%
Manufactured Homes	$ 5,170.42	$ 7,551.06	$ 279.86	$ 7,830.92	$ 2,660.50	51%
Manufactured Homes	$ 786.08	$ 1,369.13	$ 138.86	$ 1,507.99	$ 721.91	92%
Hotel	$ 408.66	$ 369.02	$ 13.76	$ 382.78	$ (25.88)	-6%
Newspaper	$ 51.62	$ 102.14	$ 1.49	$ 103.63	$ 52.01	101%
Dental Office	$ 22.40	$ 34.57	$ 0.83	$ 35.40	$ 13.00	58%
Multi-Family	$ 30.82	$ 119.93	$ 4.11	$ 124.04	$ 93.22	302%
Salon	$ 4.67	$ 11.64	$ 0.16	$ 11.80	$ 7.13	153%
Marina	$ 258.33	$ 150.29	$ 5.35	$ 155.64	$ (102.69)	-40%
Non-Profit	$ 54.58	$ 127.12	$ 6.97	$ 134.09	$ 79.51	146%
Non-Profit	$ 55.22	$ 57.33	$ 5.09	$ 62.42	$ 7.20	13%
Restaurant	$ 79.80	$ 70.20	$ 2.09	$ 72.29	$ (7.51)	-9%
Shopping Center	$ 1,205.65	$ 1,611.97	$ 35.59	$ 1,549.13	$ 343.48	28%
Independent Business	$ 11.51	$ 24.98	$ 0.32	$ 25.30	$ 13.79	120%
Shopping Center	$ 206.57	$ 190.89	$ 11.70	$ 202.59	$ (3.98)	-2%
Drug Store	$ 48.92	$ 68.33	$ 2.88	$ 67.28	$ 18.36	38%
Restaurant	$ 40.34	$ 91.38	$ 1.16	$ 92.54	$ 52.20	129%
Church	$ 158.50	$ 167.54	$ 11.17	$ 178.71	$ 20.21	13%
Church	$ 183.64	$ 85.64	$ 19.07	$ 104.71	$ (78.93)	-43%
Condos	$ 132.95	$ 120.92	$ 10.60	$ 131.52	$ (1.43)	-1%
Condos	$ 124.74	$ 147.36	$ 41.34	$ 188.70	$ 63.96	51%
Condos	$ 302.89	$ 265.30	$ 21.73	$ 287.03	$ (15.86)	-5%
Condos	$ 234.65	$ 301.68	$ 16.96	$ 318.64	$ 83.99	36%
Condos	$ 363.95	$ 392.30	$ 53.00	$ 445.30	$ 81.35	22%
Golf Courses	$ 443.39	$ 696.27	$ 279.86	$ 976.13	$ 532.74	120%
Golf Courses	$ 626.98	$ 379.84	$ 279.86	$ 659.70	$ 32.72	5%
Golf Courses	$ 872.06	$ 1,196.73	$ 279.86	$ 1,476.59	$ 604.53	69%

4. STORMWATER UTILITY FEE BENCHMARKING

There are currently approximately 180 communities in Florida with stormwater utilities, the most of any state in the country. To provide insights into how stormwater utility fees from comparable and local communities align with the fees calculated in this Study, a local benchmarking comparison was developed. Figure 4-1 presents the monthly utility bills for single-family residential properties in peer communities.

Figure 4-1: Monthly Single-Family Residential Stormwater Bill Survey



The gray bars in Figure 4-1 indicate the FY 2020 monthly single-family residential stormwater fees for the City's peer municipalities. The City's average current ($5.23) and calculated ($6.99) stormwater fees in orange presented in the survey represent the calculated monthly fee for the average single-family home. While the bills presented herein represent fees that have been implemented in FY 2020, it is important to recognize that Venice's calculated fees will be effective in FY 2021. Furthermore, while there is currently little information available for FY 2021 fee increases for the other surveyed utilities, it is to be expected that many of the entities will continue to implement fee increases in the future. The survey shows that even with the recommended changes the City is still very competitive to other municipalities and indeed still below the average level of single-family homes.

5. STAKEHOLDER WORKING GROUP

A key component of this year's Study was the formation and engagement of a stormwater Stakeholder Working Group. The working group was comprised of representatives from several key land uses including 1) single-family homes, 2) multi-family homes, 3) commercial establishments, 4) industrial customers. The group was formed by City Council Resolution on November 13th, 2018. The group provided valuable feedback throughout the fee study process and shaped the final recommendations as presented in this study. Additionally, during the final meeting of the group, the group endorsed the recommendations as presented in this report.

The following 7 topic specific meetings were conducted with the stakeholder working group:

February 27th, 2020 Topic – Kick-off, Objectives, Schedule

~~**April 2nd, 2020**~~ – Meeting cancelled due to COVID and rescheduled to May.

May 15th, 2020 Topic – Stormwater Benchmarking, Revenue Sufficiency Analysis and Industry Intro 101

May 29th, 2020 Topic – Revenue Sufficiency Analysis Continued

June 12th, 2020 Topic – Fee Structure Options and Initial Recommendations

June 26th, 2020 Topic – Fee Structure Options and Customer Impacts

August 7th, 2020 Topic – Revised Fee Structure Options and Customer Impacts

August 21st, 2020 Topic – Final Discussion and Recommendations for FY 2021

6. FINDINGS & RECOMMENDATIONS

This section summarizes the major findings as a result of the analysis and recommendations developed in the Study.

Adjust Revenue Recovery. Based on the assumptions and base data discussed herein, it has been determined that the current stormwater fees do not generate the level of revenue necessary to satisfy the Utility's projected operating and capital expenditures over a multi-year period. In the current year FY 2020 the stormwater utility is running a deficit and in order to avoid decreases in the level of service provided, a plan of revenue adjustments has been developed and is displayed in Table 6-1. These adjustments will provide the stormwater utility with the resources need to accomplish its objectives in a sustainable and durable fashion.

Table 6-1: Revenue Adjustment Plan

Year:	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Revenue Adjustment:	47.86%	36.00%	17.00%	11.00%	1.00%

Modify the stormwater fee structure. Improvements to the fee structure have been identified to enhance simplicity, equity and conformance with industry practices. These include:

Single family homes- Stantec recommends a tiered structure that uses the statistical distribution of impervious area to assign one of three tiers to each single-family home for stormwater billing purposes. This recommendation will result in 12 unique stormwater fees for single family homes, down from the current 7,400+, simplify administration and provide greater customer understanding.

Manufactured homes- This study recommends the use of a flat fee per unit to charge parcels with manufactured homes on them, based on the average impervious area present in this class of parcels.

Water Quality Fee- Given the substantial needs to invest in water quality related projects, a water quality fee has been developed that would charge single family homes (including mobile/manufactured homes) and multifamily units a flat fee, while all other parcels would be charged on the gross area of the parcel.

Perform annual or biennial revenue sufficiency analysis. Stantec also recommends that the City continue to perform annual or biennial updates to the revenue sufficiency analysis to evaluate the adequacy of the modified stormwater fee structure and the revenue generated. Doing so will allow for the incorporation of updated revenue and expense information, as well as changes in economic conditions, regulatory requirements, and other factors that can materially affect the financial management plan.

It is important to note that the projections of future conditions underlying this analysis are not intended to be predictions. Applicable to many utility systems, there are multiple factors beyond the City's control, such as i) weather events, ii) regulatory changes, iii) national, regional, and local economic conditions, iv) the rate of growth in new customers, v) customer reaction to fee adjustments, vi) operating and capital cost inflation, and vii) 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 development of 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 is a possibility that there will 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 should be based upon 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.

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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 Venice 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 A: REVENUE SUFFICIENCY ANALYSIS SUPPORTING SCHEDULES

Schedule 1 - Assumptions

Schedule 2 - Beginning Fund 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 Funding Summary

Schedule 10 - Funding Summary by Fund

Schedule 1: Assumptions

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Stormwater Fee Increase Adoption Date	N/A	N/A	N/A	10/1/2020	10/1/2021	10/1/2022	10/1/2023	10/1/2024	10/1/2025	10/1/2026	10/1/2027	10/1/2028	10/1/2029
Annual Growth													
Stormwater													
Ending # of Equivalent Stormwater Factors (ESF)	38,627	38,716	39,103	39,494	39,889	40,288	40,691	41,097	41,508	41,924	42,343	42,766	43,194
ESF Growth		89	387	391	395	399	403	407	411	415	419	423	428
% Change in ESF		0.23%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Capital Spending													
Annual Capital Budget (Future Year Dollars)			$ 618,649	$ 250,000	$ 500,000	$ 750,000	$ 1,000,000	$ 1,000,000	$ 1,030,000	$ 1,060,900	$ 1,092,727	$ 1,125,509	$ 1,159,274
Annual Percent Executed			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Annual Escalation Applied			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Average Annual Interest Earnings Rate													
On Fund Balances			0.77%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
Operating Budget Reserve													
Target (Number of Months of Reserve)[1]			4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Operating Budget Execution Percentage													
Personal Services			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Fixed Operations and Maintenance			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Capital Outlay			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

[1] This target is a recommendation of this Study, which is consistent with the City's water and sewer utility's official target, per the Series 2015 Official Statement. The target includes four months worth of annual operating expenditures including debt service and transfers, as well as capital outlay and cash funded capital.

Stantec Grouping of Funds in Model	Revenue Fund	SRF Loan Fund
Current Unrestricted Assets		
Cash and Cash Equivalents	$ 1,461,782	$ 610,000
Accounts Receivables	203,412	-
Total Assets	**$ 1,665,194**	**$ 610,000**
Current Liabilities		
Accounts Payable	$ (116,592)	$ -
Accrued Wages Payable	(21,784)	-
Calculated Fund Balance (Assets - Liabilities)	**$ 1,526,817**	**$ 610,000**
Available Fund Balance	**$ 1,526,817**	**$ 610,000**

Fund Summary	
Revenue Fund	$ 1,526,817
SRF Loan Fund	610,000
Total Available Funds	**$ 2,136,817**

Schedule 3: Projection of Cash Inflows

		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Stormwater Fee Revenue Growth Assumptions											
1	% Change in Base Revenue	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Assumed Fee Revenue Increases											
2	Assumed Stormwater Fee Revenue Increase	0.00%	47.86%	36.00%	17.00%	11.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Stormwater Fee Revenue (Including Growth & Rate Increases)											
3	Stormwater Fee Revenue	$ 1,611,700	$ 2,406,864	$ 3,306,068	$ 3,906,781	$ 4,379,892	$ 4,467,928	$ 4,557,733	$ 4,649,344	$ 4,742,796	$ 4,838,126	$ 4,935,372
4	**Total Stormwater Fee Revenue (Including Growth & Rate Increases)**	**$ 1,611,700**	**$ 2,406,864**	**$ 3,306,068**	**$ 3,906,781**	**$ 4,379,892**	**$ 4,467,928**	**$ 4,557,733**	**$ 4,649,344**	**$ 4,742,796**	**$ 4,838,126**	**$ 4,935,372**
	Non-Operating Revenue											
5	334.14-00 - DEPT OF ENVIRON PROTECT	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6	334.36-00 - SWFWMD GRANTS	75,000	-	-	-	-	-	-	-	-	-	-
7	New Resiliency Grant	-	75,000	-	-	-	-	-	-	-	-	-
8	**Total Non-Operating Revenue**	**$ 175,000**	**$ 75,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
	Interest Income[1]											
9	Unrestricted	$ 15,800	$ 12,381	$ 12,361	$ 14,517	$ 16,702	$ 18,153	$ 19,269	$ 20,331	$ 20,918	$ 21,083	$ 20,919
10	**Total Interest Income**	**$ 15,800**	**$ 12,381**	**$ 12,361**	**$ 14,517**	**$ 16,702**	**$ 18,153**	**$ 19,269**	**$ 20,331**	**$ 20,918**	**$ 21,083**	**$ 20,919**
11	**Total Cash Inflows**	**$ 1,802,500**	**$ 2,494,245**	**$ 3,318,430**	**$ 3,921,298**	**$ 4,396,595**	**$ 4,486,081**	**$ 4,577,002**	**$ 4,669,674**	**$ 4,763,713**	**$ 4,859,209**	**$ 4,956,291**

[1] Interest earnings are calculated within the model based on assumed interest earnings rates (on Schedule 1) and ending fund balances within the operating fund each year.

Schedule 4: Projection of Cash Outflows

	Expense Line Item	Expense Type	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Exp - Capital Outlay/Operations & Maintenance Projects[1]												
1	Downtown Infrastructure Project	CO	$ 13,148	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2	Park Blvd. North SW Improvements	CO	50,000	-	-	-	-	-	-	-	-	-	-
3	Outfall Water Quality Improvements	CO	325,000	-	-	-	-	-	-	-	-	-	-
	Other Operating Expenses												
4	541.45-00 - INSURANCE	OMF	$ 5,151	$ 11,857	$ 12,213	$ 12,579	$ 12,956	$ 13,345	$ 13,746	$ 14,158	$ 14,583	$ 15,020	$ 15,471
5	541.46-00 - REPAIRS & MAINTENANCE	OMF	274,200	400,000	412,000	424,360	437,091	450,204	463,710	477,621	491,950	506,708	521,909
6	541.46-00 - REPAIRS & MAINT (COUNTY FAC TSF)	OMF	-	200,000	250,000	300,000	309,000	318,270	327,818	337,653	347,782	358,216	368,962
7	541.46-00 - REPAIRS & MAINT (PIPE LINING)	OMF	-	100,000	200,000	300,000	400,000	500,000	500,000	500,000	500,000	500,000	500,000
8	541.46-02 - REPAIRS & MAINT / COMPUTER DEVICES	OMF	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032
9	541.46-37 - REPAIRS & MAINT / FLEET MAINT- LABOR	OMF	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439
10	541.46-38 - REPAIRS & MAINT / FLEET MAINT- PARTS	OMF	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127
11	541.46-40 - REPAIRS & MAINTENANCE / INFO SYS	OMF	37,361	38,482	39,636	40,826	42,050	43,312	44,611	45,950	47,328	48,748	50,210
12	541.40-00 - TRAVEL AND TRAINING	OMF	11,500	11,845	12,200	12,566	12,943	13,332	13,732	14,144	14,568	15,005	15,455
13	541.41-00 - COMMUNICATION SERVICES	OMF	1,515	1,755	1,808	1,862	1,918	1,975	2,035	2,096	2,158	2,223	2,290
14	541.41-40 - COMMUNICATION SERVICES / IS	OMF	2,500	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
15	541.42-00 - FREIGHT AND POSTAGE	OMF	1,400	1,442	1,485	1,530	1,576	1,623	1,672	1,722	1,773	1,827	1,881
16	541.44-00 - RENTALS AND LEASES	OMF	7,000	7,210	7,426	7,649	7,879	8,115	8,358	8,609	8,867	9,133	9,407
17	541.44-03 - RENTALS AND LEASES / EQUIP RENTAL	OMF	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196
18	541.44-07 - RENTALS AND LEASES / BEACH OUTFALL MAINT	OMF	10,250	10,558	10,875	11,201	11,537	11,883	12,240	12,607	12,985	13,375	13,776
19	541.44-08 - RENTALS AND LEASES / DOCUMATCH SYSTEM	OMF	-	-	-	-	-	-	-	-	-	-	-
20	541.44-50 - RENTALS AND LEASES-FLEET REPL[2]	OMF	57,609	71,919	134,064	161,626	180,439	236,529	236,529	237,107	238,644	251,295	260,195
21	541.47-00 - PRINTING & BINDING	OMF	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032
22	541.51-00 - OFFICE SUPPLIES	OMF	4,044	4,165	4,290	4,419	4,551	4,688	4,828	4,973	5,122	5,276	5,434
23	541.52-00 - OPERATING SUPPLIES	OMF	27,160	17,716	18,247	18,795	19,359	19,940	20,538	21,154	21,788	22,442	23,115
24	541.54-00 - BOOKS, PUB, SUB, MEMBERSP	OMF	5,200	5,356	5,517	5,682	5,853	6,028	6,209	6,395	6,587	6,785	6,988
25	541.31-00 - PROFESSIONAL SERVICES	OMF	220,983	120,000	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619
26	541.31-03 - PROFESSIONAL SERVICES / LEGAL	OMF	2,500	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360
27	541.34-00 - OTHER CONTRACTUAL SERVICE	OMF	63,646	65,555	67,522	69,547	71,634	73,783	75,996	78,276	80,624	83,043	85,534
28	541.12-00 - REGULAR SALARIES & WAGES	PS	477,192	493,033	510,289	528,149	546,635	565,767	585,569	606,063	627,276	649,230	671,953
29	541.14-00 - OVERTIME	PS	10,000	10,000	10,350	10,712	11,087	11,475	11,877	12,293	12,723	13,168	13,629
30	541.15-00 - SPECIAL PAY	PS	1,900	-	-	-	-	-	-	-	-	-	-
31	541.21-00 - FICA	PS	37,426	38,482	39,829	41,223	42,666	44,159	45,705	47,304	48,960	50,673	52,447
32	541.22-00 - RETIREMENT CONTRIBUTIONS	PS	41,731	51,574	53,379	55,247	57,181	59,182	61,254	63,398	65,617	67,913	70,290
33	9902-581.91-28 TRANSFERS TO FLEET FUND[3]	CO	35,000	100,442	183,470	263,824	330,858	278,672	231,453	257,655	272,493	274,226	262,900
34	Additional FTE[4]	PS	-	54,379	56,282	58,252	60,291	62,401	64,585	66,846	69,186	71,607	74,113
35	**Total Operating Expenses**		**$ 1,996,296**	**$ 2,372,617**	**$ 2,630,273**	**$ 2,947,512**	**$ 3,203,583**	**$ 3,379,935**	**$ 3,407,468**	**$ 3,511,375**	**$ 3,607,329**	**$ 3,703,824**	**$ 3,786,015**
	Total Expenses by Category												
36	Personal Services	PS	$ 718,451	$ 799,096	$ 826,422	$ 854,684	$ 883,916	$ 914,150	$ 945,421	$ 977,766	$ 1,011,220	$ 1,045,821	$ 1,081,611
37	Operations & Maintenance	OMF	854,697	1,198,915	1,337,992	1,538,144	1,689,223	1,878,539	1,912,762	1,948,588	1,986,429	2,036,473	2,083,782
38	Capital Outlay	CO	423,148	100,442	183,470	263,824	330,858	278,672	231,453	257,655	272,493	274,226	262,900
39	**Total Expenses**		**$ 1,996,296**	**$ 2,098,453**	**$ 2,347,884**	**$ 2,656,652**	**$ 2,903,997**	**$ 3,071,361**	**$ 3,089,636**	**$ 3,184,009**	**$ 3,270,142**	**$ 3,356,521**	**$ 3,428,293**
	Expense Execution Factors												
40	Personal Services	PS	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
41	Operations & Maintenance	OMF	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
42	Capital Outlay	CO	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Total Expenses at Execution												
43	Personal Services	PS	$ 718,451	$ 799,096	$ 826,422	$ 854,684	$ 883,916	$ 914,150	$ 945,421	$ 977,766	$ 1,011,220	$ 1,045,821	$ 1,081,611
44	Operations & Maintenance	OMF	854,697	1,198,915	1,337,992	1,538,144	1,689,223	1,878,539	1,912,762	1,948,588	1,986,429	2,036,473	2,083,782
45	Capital Outlay	CO	423,148	100,442	183,470	263,824	330,858	278,672	231,453	257,655	272,493	274,226	262,900
46	**Total Expenses at Execution**		**$ 1,996,296**	**$ 2,098,453**	**$ 2,347,884**	**$ 2,656,652**	**$ 2,903,997**	**$ 3,071,361**	**$ 3,089,636**	**$ 3,184,009**	**$ 3,270,142**	**$ 3,356,521**	**$ 3,428,293**

Schedule 4: Projection of Cash Outflows

	Expense Line Item	Expense Type	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Transfers Out												
47	541.49-02 - ADMINISTRATIVE CHARGES		$ 254,965	$ 274,164	$ 282,389	$ 290,861	$ 299,586	$ 308,574	$ 317,831	$ 327,366	$ 337,187	$ 347,303	$ 357,722
48	**Total Transfers Out**		**$ 254,965**	**$ 274,164**	**$ 282,389**	**$ 290,861**	**$ 299,586**	**$ 308,574**	**$ 317,831**	**$ 327,366**	**$ 337,187**	**$ 347,303**	**$ 357,722**
	Debt Service												
49	Live Oak SRF Repayment[5]		$ -	$ 29,426	$ 33,546	$ 33,546	$ 33,546	$ 33,546	$ 33,546	$ 33,546	$ 33,546	$ 33,546	$ 33,546
50	**Total Debt Service**		**$ -**	**$ 29,426**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**
51	**Total Cash Outflows**		**$ 2,251,261**	**$ 2,402,043**	**$ 2,663,819**	**$ 2,981,058**	**$ 3,237,129**	**$ 3,413,481**	**$ 3,441,014**	**$ 3,544,921**	**$ 3,640,875**	**$ 3,737,370**	**$ 3,819,561**

[1] These projects were identified by City staff to be ongoing operations and maintenance projects, rather than large capital improvement projects. For purposes of this study, they are classified in the operating budget as capital outlay.

[2] Reflects the annual projected rent charges to the Stormwater Division from the Fleet Fund; provided by City staff as of August 2020.

[3] Reflects the projected purchase of new vehicles in the Stormwater Division; provided by City staff as of August 2020.

[4] Reflects the fully burdened cost of an additional FTE, net of the cost of a shared FTE that is currently allocated 40% to the Stormwater Division, as provided by City staff on February 10, 2020.

[5] Reflects semiannual payments for the Live Oak SRF expected loan agreement of $610,500.

Schedule 5: Cost Escalation Factors

Expense Line Item Description	Inflation Factor	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Downtown Infrastructure Project	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
SW Infrastructure Rehab	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Cockrill St. Ditch	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Beach Outfall #7	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Live Oak St. Stormwater Improvements	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Other	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Park Blvd. North SW Improvements	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Outfall Water Quality Improvements	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.45-00 - INSURANCE	Insurance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-00 - REPAIRS & MAINTENANCE	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-00 - REPAIRS & MAINT (COUNTY FAC TSF)	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-00 - REPAIRS & MAINT (PIPE LINING)	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-02 - REPAIRS & MAINT / COMPUTER DEVICES	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-37 - REPAIRS & MAINT / FLEET MAINT- LABOR	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-38 - REPAIRS & MAINT / FLEET MAINT- PARTS	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.46-40 - REPAIRS & MAINTENANCE / INFO SYS	Repair & Maintenance	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.40-00 - TRAVEL AND TRAINING	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.40-40 - TRAVEL AND TRAINING / INFO SYS	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.41-00 - COMMUNICATION SERVICES	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.41-40 - COMMUNICATION SERVICES / IS	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.42-00 - FREIGHT AND POSTAGE	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.44-00 - RENTALS AND LEASES	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.44-03 - RENTALS AND LEASES / EQUIP RENTAL	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.44-05 - RENTALS AND LEASES / PARKS EQUIP RENT	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.44-07 - RENTALS AND LEASES / BEACH OUTFALL MAINT	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.44-08 - RENTALS AND LEASES / DOCUMATCH SYSTEM	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.47-00 - PRINTING & BINDING	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.51-00 - OFFICE SUPPLIES	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.52-00 - OPERATING SUPPLIES	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.54-00 - BOOKS, PUB, SUB, MEMBERSP	Professional Services	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.31-00 - PROFESSIONAL SERVICES	Professional Services	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.31-03 - PROFESSIONAL SERVICES / LEGAL	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.34-00 - OTHER CONTRACTUAL SERVICE	Default Inflation Factor	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
541.12-00 - REGULAR SALARIES & WAGES	Salaries,Wages, Benefits	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
541.14-00 - OVERTIME	Salaries,Wages, Benefits	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
541.15-00 - SPECIAL PAY	Salaries,Wages, Benefits	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
541.21-00 - FICA	Salaries,Wages, Benefits	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
541.22-00 - RETIREMENT CONTRIBUTIONS	Salaries,Wages, Benefits	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
9902-581.91-28 TRANSFERS TO FLEET FUND	N/A[1]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

[1] Annual expenses for this line item vary depending on the timing of expected new vehicle purchases. As such, an inflation factor was not applicable to this line item.

Schedule 6: Capital Improvement Program

		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Currently Underway											
1	Live Oak St. Stormwater Improvements[1]	$ 618,649	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Water Quality Projects											
2	Church St. Flood Improvements & Water Quality	$ -	$ -	$ -	$ -	$ 50,000	$ 320,000	$ -	$ -	$ -	$ -	$ -
3	Curry Creek Improvements	-	-	-	-	300,000	-	-	-	-	-	-
4	Deertown Gully Headwall Replacement	-	-	25,000	-	-	-	-	-	-	-	-
5	Deertown Gully Water Quality Upgrades	-	-	75,000	500,000	-	-	-	-	-	-	-
6	Golf Dr. Stormwater Improvements	-	-	-	-	150,000	300,000	-	-	-	-	-
7	Hatchett Creek Improvements	-	-	-	-	-	300,000	-	-	-	-	-
8	Seaboard Area - ICW Outfalls	-	-	-	-	200,000	-	300,000	-	-	-	-
9	Nolen Green Stormwater Ponds/Rain Gardens	-	-	-	25,000	-	30,000	-	-	-	-	-
10	North Nokomis (Bella Costa) Outfall Upgrades	-	-	-	-	200,000	-	-	-	-	-	-
11	Osprey Ditch Stormwater Upgrades	-	-	-	-	100,000	-	650,000	-	-	-	-
12	Outfall #10 Water Quality & Wetland Restoration	-	-	-	125,000	-	-	-	-	-	-	-
13	Outfall 1 & 2 Water Quality Treatment Expansion	-	100,000	400,000	-	-	-	-	-	-	-	-
14	Outfall 9 Improvement	-	-	-	100,000	-	-	-	-	-	-	-
15	Park Blvd. North SW Improvements	-	150,000	-	-	-	-	-	-	-	-	-
16	Parkdale & Parkside Dr. Drainage Improvement	-	-	-	-	-	50,000	-	300,000	-	-	-
17	Airport Ave. Drainage & Water Quality Improvements	-	-	-	-	-	-	50,000	300,000	-	-	-
18	Airport Area - ICW Outfalls	-	-	-	-	-	-	-	-	200,000	-	200,000
19	Circle Drive Flood Improvement & Water Quality	-	-	-	-	-	-	-	400,000	-	-	-
20	Tarpon Center Stormwater Upgrades	-	-	-	-	-	-	-	-	100,000	350,000	-
21	Valencia Rd. Flood Improvements & Water Quality	-	-	-	-	-	-	-	-	200,000	650,000	-
22	Venezia Park - Stormwater Treatment Upgrades	-	-	-	-	-	-	-	-	200,000	-	-
23	Future Water Quality Projects	-	-	-	-	-	-	-	-	300,000	-	800,000
24	**Total CIP Budget (in current dollars)**	**$ 618,649**	**$ 250,000**	**$ 500,000**	**$ 750,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,000,000**
25	Cumulative Projected Cost Escalation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.0%	6.1%	9.3%	12.6%	15.9%
26	**Resulting CIP Funding Level**	**$ 618,649**	**$ 250,000**	**$ 500,000**	**$ 750,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,030,000**	**$ 1,060,900**	**$ 1,092,727**	**$ 1,125,509**	**$ 1,159,274**
27	Annual CIP Execution Percentage	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
28	**Final CIP Funding Level**	**$ 618,649**	**$ 250,000**	**$ 500,000**	**$ 750,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,030,000**	**$ 1,060,900**	**$ 1,092,727**	**$ 1,125,509**	**$ 1,159,274**

[1] Project is currently underway and is being funded by the SRF loan proceeds as presented on Schedule 2.

FAMS Financial Analysis & Management System | By Stantec

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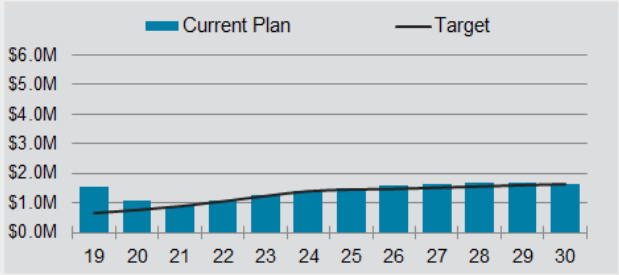
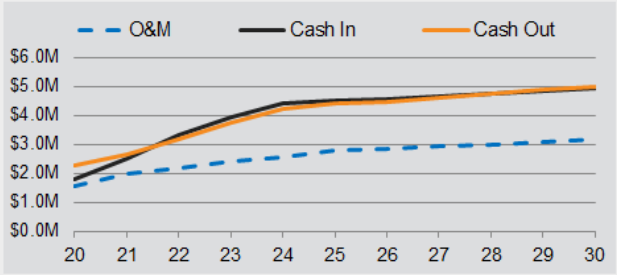
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2025	FY 2030
Stormwater Revenue Plan	0.00%	47.86%	36.00%	17.00%	11.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	163.98%	177.39%
Subordinate DSC	0.00	16.86	34.40	45.56	54.36	50.48	51.24	51.97	52.64	52.97	53.38		

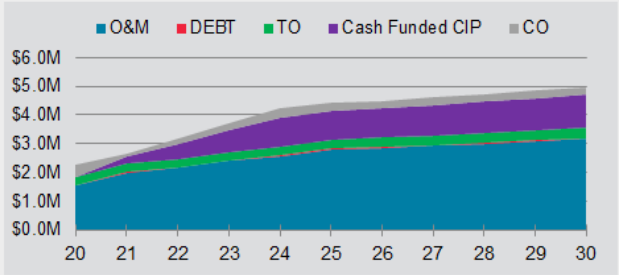
Operating Fund



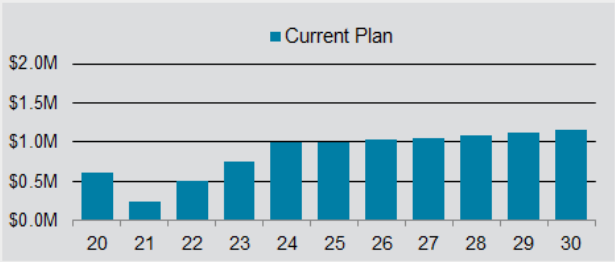
Revenues vs. Expenses



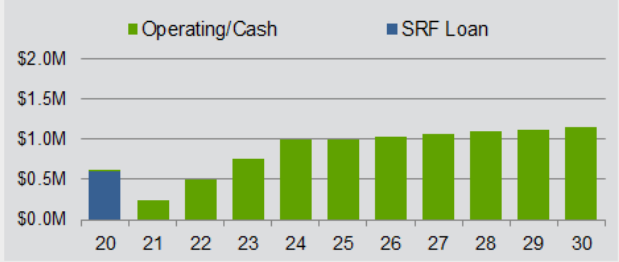
Expenses by Type



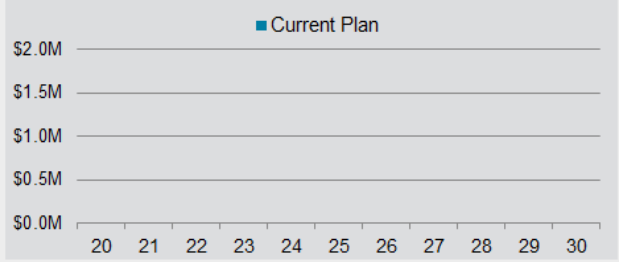
CIP Spending



CIP Funding



Borrowing



Schedule 8: Pro Forma

			FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Operating Revenue												
1	Stormwater Fee Revenue		$ 1,611,700	$ 1,611,700	$ 2,406,864	$ 3,306,068	$ 3,906,781	$ 4,379,892	$ 4,467,928	$ 4,557,733	$ 4,649,344	$ 4,742,796	$ 4,838,126
2	Revenue Generated From Prior Year Rate Increase		-	-	-	-	-	-	-	-	-	-	-
3	Change in Revenue From Growth		-	16,117	24,069	33,061	39,068	43,799	44,679	45,577	46,493	47,428	48,381
4	Subtotal		$ 1,611,700	$ 1,627,817	$ 2,430,933	$ 3,339,129	$ 3,945,849	$ 4,423,691	$ 4,512,607	$ 4,603,311	$ 4,695,837	$ 4,790,224	$ 4,886,507
5	*Weighted Average Fee Increase*		*0.00%*	*47.86%*	*36.00%*	*17.00%*	*11.00%*	*1.00%*	*1.00%*	*1.00%*	*1.00%*	*1.00%*	*1.00%*
6	Additional Fee Revenue From Fee Increase		-	779,047	875,136	567,652	434,043	44,237	45,126	46,033	46,958	47,902	48,865
7	Total Fee Revenue		$ 1,611,700	$ 2,406,864	$ 3,306,068	$ 3,906,781	$ 4,379,892	$ 4,467,928	$ 4,557,733	$ 4,649,344	$ 4,742,796	$ 4,838,126	$ 4,935,372
8	**Equals: Total Operating Revenue**		**$ 1,611,700**	**$ 2,406,864**	**$ 3,306,068**	**$ 3,906,781**	**$ 4,379,892**	**$ 4,467,928**	**$ 4,557,733**	**$ 4,649,344**	**$ 4,742,796**	**$ 4,838,126**	**$ 4,935,372**
	Less: Operating Expenses (Excluding Capital Outlay)												
9	Personal Services		$ (718,451)	$ (799,096)	$ (826,422)	$ (854,684)	$ (883,916)	$ (914,150)	$ (945,421)	$ (977,766)	$ (1,011,220)	$ (1,045,821)	$ (1,081,611)
10	Operations & Maintenance Costs		(854,697)	(1,198,915)	(1,337,992)	(1,538,144)	(1,689,223)	(1,878,539)	(1,912,762)	(1,948,588)	(1,986,429)	(2,036,473)	(2,083,782)
11	**Equals: Net Operating Income**		**$ 38,552**	**$ 408,853**	**$ 1,141,655**	**$ 1,513,953**	**$ 1,806,753**	**$ 1,675,239**	**$ 1,699,550**	**$ 1,722,990**	**$ 1,745,147**	**$ 1,755,831**	**$ 1,769,979**
	Plus: Non-Operating Income/(Expense)												
12	Non-Operating Revenue		$ 175,000	$ 75,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13	Interest Income		15,800	12,381	12,361	14,517	16,702	18,153	19,269	20,331	20,918	21,083	20,919
14	**Equals: Net Income**		**$ 229,352**	**$ 496,234**	**$ 1,154,016**	**$ 1,528,470**	**$ 1,823,456**	**$ 1,693,391**	**$ 1,718,819**	**$ 1,743,321**	**$ 1,766,064**	**$ 1,776,914**	**$ 1,790,898**
	Subordinate Debt Service Coverage Test												
15	Net Income Available for Subordinate Debt Service		$ 229,352	$ 496,234	$ 1,154,016	$ 1,528,470	$ 1,823,456	$ 1,693,391	$ 1,718,819	$ 1,743,321	$ 1,766,064	$ 1,776,914	$ 1,790,898
16	Existing Subordinate Debt		-	29,426	33,546	33,546	33,546	33,546	33,546	33,546	33,546	33,546	33,546
17	**Total Annual Subordinate Debt Service**	**Req.**	**$ -**	**$ 29,426**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**	**$ 33,546**
18	**Calculated Subordinate Debt Service Coverage**	**1.20**	**0**	**16.86**	**34.40**	**45.56**	**54.36**	**50.48**	**51.24**	**51.97**	**52.65**	**52.97**	**53.39**
	Cash Flow Test												
19	Net Income Available For Debt Service		$ 229,352	$ 496,234	$ 1,154,016	$ 1,528,470	$ 1,823,456	$ 1,693,391	$ 1,718,819	$ 1,743,321	$ 1,766,064	$ 1,776,914	$ 1,790,898
	Less: Non-Operating Expenditures												
20	Net Interfund Transfers (In - Out)		(254,965)	(274,164)	(282,389)	(290,861)	(299,586)	(308,574)	(317,831)	(327,366)	(337,187)	(347,303)	(357,722)
21	Net Debt Service Payment		-	(29,426)	(33,546)	(33,546)	(33,546)	(33,546)	(33,546)	(33,546)	(33,546)	(33,546)	(33,546)
22	Capital Outlay		(423,148)	(100,442)	(183,470)	(263,824)	(330,858)	(278,672)	(231,453)	(257,655)	(272,493)	(274,226)	(262,900)
23	**Net Cash Flow**		**$ (448,761)**	**$ 92,202**	**$ 654,611**	**$ 940,240**	**$ 1,159,465**	**$ 1,072,599**	**$ 1,135,989**	**$ 1,124,753**	**$ 1,122,839**	**$ 1,121,839**	**$ 1,136,731**
	Unrestricted Reserve Fund Test												
24	Balance At Beginning Of Fiscal Year		$ 1,526,817	$ 1,069,407	$ 911,609	$ 1,066,220	$ 1,256,460	$ 1,415,925	$ 1,488,525	$ 1,594,514	$ 1,658,367	$ 1,688,479	$ 1,684,809
25	Cash Flow Surplus/(Deficit)		-	92,202	654,611	940,240	1,159,465	1,072,599	1,135,989	1,124,753	1,122,839	1,121,839	1,136,731
26	Projects Designated To Be Paid With Cash		-	-	-	-	-	-	-	-	-	-	-
27	Projects Paid With Non Specified Funds		(8,649)	(250,000)	(500,000)	(750,000)	(1,000,000)	(1,000,000)	(1,030,000)	(1,060,900)	(1,092,727)	(1,125,509)	(1,159,274)
28	**Balance At End Of Fiscal Year**		**$ 1,069,407**	**$ 911,609**	**$ 1,066,220**	**$ 1,256,460**	**$ 1,415,925**	**$ 1,488,525**	**$ 1,594,514**	**$ 1,658,367**	**$ 1,688,479**	**$ 1,684,809**	**$ 1,662,265**
29	Minimum Working Capital Reserve Target		753,303	884,014	1,054,606	1,243,686	1,412,376	1,471,160	1,490,338	1,535,274	1,577,867	1,620,960	1,659,612
30	**Excess/(Deficiency) Of Working Capital To Target**		**$ 316,104**	**$ 27,595**	**$ 11,614**	**$ 12,774**	**$ 3,549**	**$ 17,364**	**$ 104,176**	**$ 123,093**	**$ 110,611**	**$ 63,849**	**$ 2,654**

Schedule 9: Capital Project Funding Summary

Final Capital Projects Funding Sources	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
SRF Loan	$ 610,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Revenue Fund	8,649	250,000	500,000	750,000	1,000,000	1,000,000	1,030,000	1,060,900	1,092,727	1,125,509	1,159,274
Total Projects Paid	**$ 618,649**	**$ 250,000**	**$ 500,000**	**$ 750,000**	**$ 1,000,000**	**$ 1,000,000**	**$ 1,030,000**	**$ 1,060,900**	**$ 1,092,727**	**$ 1,125,509**	**$ 1,159,274**

Schedule 10: Funding Summary by Fund

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
SRF Loan Fund											
Balance At Beginning Of Fiscal Year	$ 610,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subtotal	$ 610,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Less: Restricted Funds	-	-	-	-	-	-	-	-	-	-	-
Total Amount Available For Projects	610,000	-	-	-	-	-	-	-	-	-	-
Amount Paid For Projects	(610,000)	-	-	-	-	-	-	-	-	-	-
Subtotal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plus: Interest Earnings	3,006	-	-	-	-	-	-	-	-	-	-
Less: Interest Allocated To Cash Flow	(3,006)	-	-	-	-	-	-	-	-	-	-
Balance At End Of Fiscal Year	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
	-	-	-	-	-	-	-	-	-	-	-
Revenue Fund											
Balance At Beginning Of Fiscal Year	$ 1,526,817	$ 1,069,407	$ 911,609	$ 1,066,220	$ 1,256,460	$ 1,415,925	$ 1,488,525	$ 1,594,514	$ 1,658,367	$ 1,688,479	$ 1,684,809
Net Cash Flow	(448,761)	92,202	654,611	940,240	1,159,465	1,072,599	1,135,989	1,124,753	1,122,839	1,121,839	1,136,731
Less: Cash-Funded Capital Projects	-	-	-	-	-	-	-	-	-	-	-
Less: Payment Of Debt Service	-	-	-	-	-	-	-	-	-	-	-
Subtotal	$ 1,078,056	$ 1,161,609	$ 1,566,220	$ 2,006,460	$ 2,415,925	$ 2,488,525	$ 2,624,514	$ 2,719,267	$ 2,781,206	$ 2,810,318	$ 2,821,539
Less: Restricted Funds	(753,303)	(884,014)	(1,054,606)	(1,243,686)	(1,412,376)	(1,471,160)	(1,490,338)	(1,535,274)	(1,577,867)	(1,620,960)	(1,659,612)
Total Amount Available For Projects	324,753	277,595	511,614	762,774	1,003,549	1,017,364	1,134,176	1,183,993	1,203,338	1,189,358	1,161,928
Amount Paid For Projects	(8,649)	(250,000)	(500,000)	(750,000)	(1,000,000)	(1,000,000)	(1,030,000)	(1,060,900)	(1,092,727)	(1,125,509)	(1,159,274)
Subtotal	$ 316,104	$ 27,595	$ 11,614	$ 12,774	$ 3,549	$ 17,364	$ 104,176	$ 123,093	$ 110,611	$ 63,849	$ 2,654
Add Back: Restricted Funds	753,303	884,014	1,054,606	1,243,686	1,412,376	1,471,160	1,490,338	1,535,274	1,577,867	1,620,960	1,659,612
Plus: Interest Earnings	12,794	12,381	12,361	14,517	16,702	18,153	19,269	20,331	20,918	21,083	20,919
Less: Interest Allocated To Cash Flow	(12,794)	(12,381)	(12,361)	(14,517)	(16,702)	(18,153)	(19,269)	(20,331)	(20,918)	(21,083)	(20,919)
Balance At End Of Fiscal Year	**$ 1,069,407**	**$ 911,609**	**$ 1,066,220**	**$ 1,256,460**	**$ 1,415,925**	**$ 1,488,525**	**$ 1,594,514**	**$ 1,658,367**	**$ 1,688,479**	**$ 1,684,809**	**$ 1,662,265**