

CITY OF DUNEDIN

Stormwater Rate Study

FINAL REPORT / April 4, 2024

April 4, 2024

Michelle Monteclaro
Environmental Program Manager
City of Dunedin
1405 County Rd 1
Dunedin, FL 34698

Subject: **Final Stormwater Rate Study Report**

Dear Ms. Monteclaro:

Raftelis Financial Consultants, Inc. (Raftelis) has completed our review of the stormwater rates for the City of Dunedin, Florida's (the City) Stormwater Utility and has summarized the results of our analyses, assumptions, recommendations, and conclusions in this report, which is submitted for your consideration. The analysis encompassed a revenue sufficiency analysis for a 10-year period from fiscal year 2024 through fiscal year 2033 (the Forecast Period). Based on the assumptions relied upon in the development of the projected revenues and expenditure needs, Raftelis has identified the need for stormwater rate adjustments for the first five years of the Forecast Period, which are summarized in this report.

The proposed rates are designed to meet several goals and objectives, the most important of which is sufficiency to meet the projected expenditure requirements of the stormwater program. Other goals and objectives considered in the study include:

- The proposed rates should allow the Stormwater Utility Management Fund to maintain a financial position that is both sustainable and consistent with performance criteria established by the City and based on industry standards.
- The proposed rates should comply with any anticipated rate covenant requirements associated with existing debt and proposed future borrowings.
- The proposed rates should be based on full cost recovery principles.

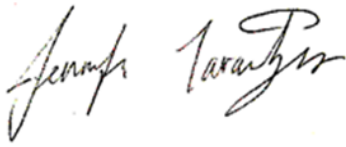
The proposed charges for stormwater service are designed to meet the goals and objectives outlined above and should be sufficient to provide for the recovery of the total costs anticipated over the first five years of the Forecast Period.

Following this letter, we have provided an executive summary which briefly summarizes the results of our study and outlines our recommendations and conclusions. The remainder of the report provides additional details regarding the rate and financial analysis conducted on behalf of the City.

We appreciate the opportunity to be of service to the City and would like to thank the City staff for their valuable assistance and cooperation throughout the course of this study.

Respectfully submitted,

Raftelis Financial Consultants, Inc.



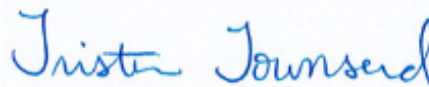
Jennifer Tavantzis
Vice President



Thierry Boveri
Vice President



Christina Conchilla
Manager



Tristen Townsend
Consultant

Contents

- Executive Summary 1**
 - Introduction1
 - Summary of Study Results.....3
 - Observations and Recommendations5
- Section 1 – Introduction..... 6**
 - Background6
- Section 2 – Customers and Revenues 7**
 - General.....7
 - Customer Growth & Revenue Projection7
- Section 3 – Revenue Requirements 8**
 - Operating and Maintenance Expenses.....8
 - Capital Improvement Plan10
 - Existing and Proposed Debt.....12
 - Total Revenue Requirements13
- Section 4 – Revenue Sufficiency 14**
 - Cash Balances.....15
 - Debt Service Compliance15
 - Proposed Residential Stormwater Rates and Comparisons16

List of Tables and Figures

Table ES-1: Proposed Rate Adjustments	4
Figure ES-1: Financial Forecast.....	4
Table 1: Projected Customer Growth	7
Table 2: Projected Rate Revenues Under Existing Rates	8
Table 3: Operating and Maintenance Cost Projection	9
Table 4: 2020 Master Plan Projects	11
Table 5: Stormwater Capital Improvement Plan	12
Table 6: Modeled Debt Service Obligations	12
Table 7: Total Annual Revenue Requirements.....	13
Table 8: Proposed Rate Adjustments.....	14
Figure 1: Financial Forecast.....	14
Table 9: Projected Year-End Cash Balances at Proposed Rates	15
Table 10: Debt Service Compliance	15
Figure 2: Comparison of Stormwater Rates	16

Exhibits

- Exhibit 1: Operating Budget Forecast
- Exhibit 2: Escalated Capital Improvement Plan and Funding Sources
- Exhibit 3: Projected Revenue Requirements
- Exhibit 4: Fund Balance

Executive Summary

Introduction

The City of Dunedin (City) has retained Raftelis Financial Consultants, Inc. (Raftelis) to review the City's Stormwater Utility requirements, such as the current operations and maintenance levels of service, compliance with regulatory requirements and City policies, organizational and staffing requirements, and evaluate the need for future rate increases.

The City's Stormwater Utility is a mechanism established to collect fees as an enterprise fund (Stormwater Management Utility Fund), meaning the utility should have revenues equal to the costs of the services provided and should establish rates sufficient to cover the cost of operating, maintaining, repairing, and financing system operations. The intent is that costs of providing services to the general public on a continuing basis should be financed or recovered primarily through user charges¹.

While the City annually reviews the financial position of the Stormwater Management Utility Fund as part of the budgetary process, the City has projected the stormwater fund to be fiscally unsustainable. To evaluate the sufficiency of the current stormwater rates, the City authorized Raftelis to conduct a comprehensive rate analysis to estimate the adequacy of rates through fiscal year 2033 and provide rate recommendations for five years.

The foundation of the study and the primary objective of the utility rates are to reasonably recover the cost of providing service and the cost of infrastructure investment, as well as to comply with covenants of the outstanding and anticipated future indebtedness and identified fiscal policies / targets (referred to as the "revenue sufficiency" evaluation).

(Remainder of Page Intentionally Left Blank)

¹ Governmental Accounting Standards Board, "Statement No. 34 of the Governmental Accounting Standards Board", June 1999

The various components of cost associated with operating and maintaining a municipally owned utility, as well as the cost of financing the renewal and replacement of facilities and capital improvements for upgrades and expansion, are generally referred to as the utility cash gross revenue requirements. The sum of these cost components, after adjusting for other income and other operating revenues available to the utility, represents the net rate revenue requirements of the utility system.

The revenue requirements for this rate study were predicated on an analysis of stormwater costs projected through the fiscal year ending September 30, 2033 (i.e., fiscal years 2024 through 2033). The projected revenue requirements included the various generalized cost components described as follows:

- Operating Expenses: Operating expenses include the cost of labor, utilities, operating supplies, repairs and maintenance, allocated General Fund administrative costs, and other items necessary for the operation and maintenance of the utilities.
- Capital Reinvestment: Capital reinvestment includes annual deposits made from rates to fund ongoing infrastructure renewals, replacements, improvements, and betterments not financed by the issuance of debt obligations.
- Debt Service: Debt service includes the principal and interest on the City's currently outstanding and any future anticipated debt or loan obligations payable from the net operating revenues of the systems.
- Other Revenue Requirements: This component of cost includes any other funding requirements from rates including, but not limited to, transfers to the General Fund and transfers to reserves for future year expenditures.

(Remainder of page intentionally left blank)

The following is a summary of the net revenue requirements derivation:

<u>+ Operating Expenses</u>
<u>+ Capital Reinvestment</u>
<u>+ Debt Service Payments</u>
<u>+ Other Revenue Requirements</u>
(i.e. Transfers / Administration Payments, Working Capital Reserves / Financial Compliance, etc)
<u>= Net Revenue Requirements (Funded from Monthly Stormwater Fees)</u>

Summary of Study Results

Based on the assumptions relied upon in the development of the projected revenue requirements, the Stormwater Utility is projected to recover insufficient revenues, resulting in the need for rate adjustments. The primary reasons for the rate adjustments include the following:

1. Increased operating expenses because of inflationary effects on the costs of labor, repair and maintenance, insurance, and other major expenditures which have increased dramatically over the past few years. The current economic and inflationary environment has had a significant impact on stormwater operating and capital costs and are projected to continue, though at a lesser rate, during the Forecast Period. Due to the need to meet regulatory requirements and the capital-intensive nature of stormwater operations, these costs typically increase at a higher rate than general inflation.
2. The need to fund construction of master plan and resiliency identified projects to improve the operation and reliability of the stormwater system.
3. The need for additional borrowing to fund the various capital improvement projects, thus resulting in increased annual debt service payments.
4. The need to maintain compliance with debt service coverage ratios associated with existing and proposed future utility indebtedness.
5. The need to maintain adequate operating and capital reserves and margins to provide funds for emergencies.

(Remainder of page intentionally left blank)

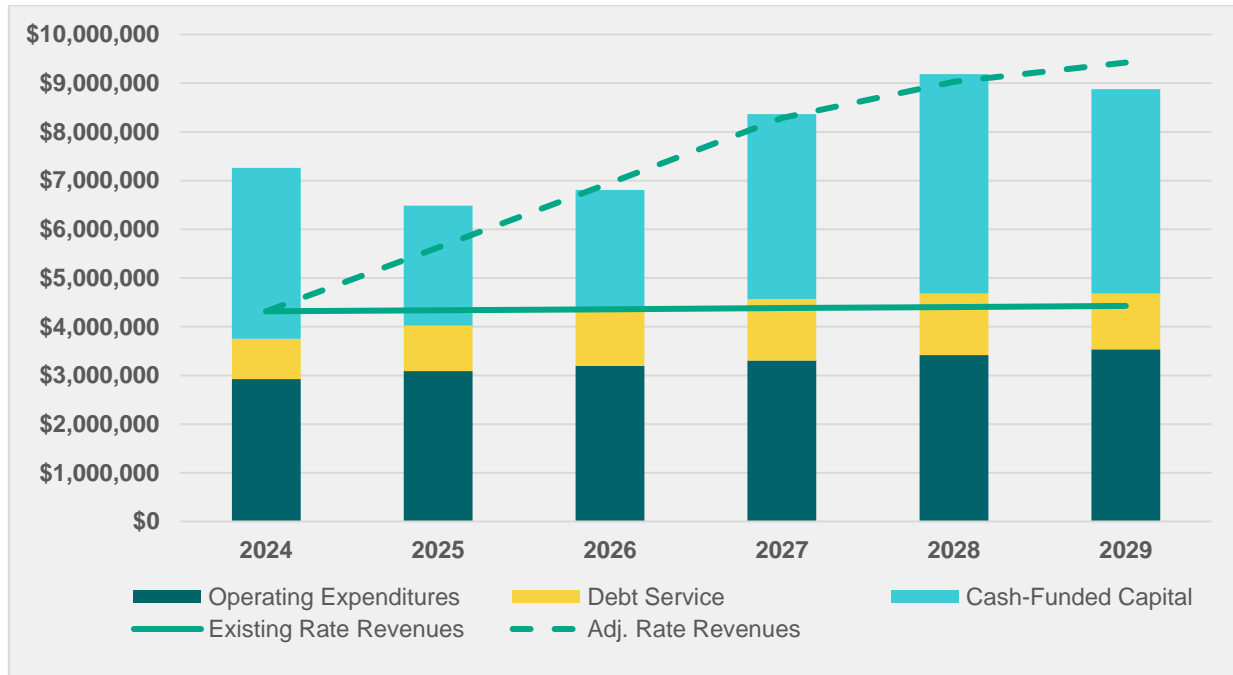
Based on the financial forecast and funding plan for the system which are described in detail in this report, the following rate adjustments are recommended:

Table ES-1: Proposed Rate Adjustments

Description	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Monthly Rate Per ERU	\$12.62	\$16.37	\$20.12	\$23.87	\$25.87	\$26.87
Increase (\$)		\$3.75	\$3.75	\$3.75	\$2.00	\$1.00

The adjustments shown above have been reviewed by City staff and are representative of the increases in costs to effectively operate and maintain the stormwater system. As demonstrated on the chart below, the rate adjustments will provide for sufficient revenues over the first five years of the Forecast Period, whereas existing rates are insufficient even in the current year.

Figure ES-1: Financial Forecast



(Remainder of Page Intentionally Left Blank)

Observations and Recommendations

The following is a summary of the observations and recommendations developed by Raftelis during our investigation, analyses, and preparation of this report:

1. The City's existing fees for stormwater services are not anticipated to be adequate to fully recover the City's projected revenue requirements during the Forecast Period.
2. The City should consider adopting the proposed stormwater rates as calculated. The proposed adjustment for fiscal year 2025 represents a \$3.75 per month increase over the existing stormwater rates.
3. The City should consider additional debt funding to complete the gabion replacements and stormwater pipe-lining to begin improving the most vulnerable parts of the system before FY 2029.
4. The City should continue performing periodic updates to the financial forecast to ensure that the proposed rate adjustments for the Forecast Period remain adequate based on the potential for changing circumstances, particularly as it relates to the impacts of inflation and the funding of major master plan capital improvement projects.

Following the Executive Summary, the remainder of this report outlines the assumptions for the projected revenues and expenditures for the enterprise fund.

(Remainder of Page Intentionally Left Blank)

Section 1 – Introduction

Background

The City of Dunedin (City) is located in Pinellas County along the western coast of Florida and has an estimated population of just over 36,000 residents, according to Census reports² provided by the City. The City is a co-permittee of Pinellas County's National Pollutant Discharge Elimination System (NPDES) Phase II Municipal Separate Storm Sewer System (MS4) permit³. This permit requires the City to implement a Stormwater Management Plan (SWMP) with eight (8) program elements and Total Maximum Daily Load (TMDL) waste load reductions for nutrients and bacteria. The City has implemented a stormwater program to meet the regulatory requirements of that permit, including operation and maintenance of the stormwater system and street sweeping, and to promote quality of life within the City and further goals around sustainability and resiliency. This program has been funded primarily by the City's Stormwater Utility, but also in smaller part from the Pennies for Pinellas program, a County-wide sales tax surcharge remitted to each jurisdiction for water, sewer and stormwater program support. The City's Stormwater Utility collects fees, which are conveyed on the City's water and sewer bill, from approximately 11,650 customers as of fiscal year 2022. The stormwater fee is set at \$12.62 per Equivalent Residential Unit (ERU) as of October 1, 2023. According to the City's Stormwater Utility Ordinance⁴ the ERU equals 1,708 square feet of impervious area. Single-family residences are charged a flat rate for one ERU and non-single-family residences are charged by dividing their total impervious area by the ERU value to compute a total number of ERUs.

The City has engaged Raftelis Financial Consultants, Inc. (Raftelis) to conduct a rate study to review the sufficiency of the City's Stormwater Utility's ability to meet financial requirements including operating costs, capital improvements, and reserve fund requirements over the fiscal years 2024 through 2033 (Forecast Period). This section provides a summary of the costs associated with the operations, maintenance, and upgrades to the stormwater system and the associated rates to provide adequate funding. The Stormwater Utility provides funding for a significant amount of capital improvements and increased staffing levels. The financial model developed for the purposes of the study shows a total funding need of approximately \$68 million over the ten-year period; including completion of operation and maintenance projects, implementation of resiliency plan projects, execution of the highest priority projects from the City's 2020 Stormwater Master Plan⁵ earlier in the Forecast Period, with other Master Plan 2020 and 2003 projects funded later in the Forecast Period. To fully fund the stormwater program, the City may need to use a combination of pay-go capital, debt funding and grant funding, which, if awarded, typically requires a 50% match from the grant applicant.

The recommendations of this study are based on a financial forecast developed for the Stormwater Management Utility Fund and this section discusses the primary study assumptions, considerations, goals and recommendations. The study began with the identification of utility operating and capital needs, next considered the capital financing plan and, finally, established the timing of rate adjustments and borrowing, if necessary. The financial forecast serves as the basis for the rate recommendations for the Forecast Period.

² Official Population Estimate of Permanent Residents as of April 1, 2023, prepared by the University of Florida, Bureau of Economic & Business Research

³ National Pollutant Discharge Elimination System (NPDES) Phase II MS4 Permit FLS000005-004

⁴ Dunedin, Florida, Ordinance No. 07-08, Article IV, Section 78-172

⁵ Jones Edmunds, "City of Dunedin Stormwater Master Plan," June 2020

Table 2: Projected Rate Revenues Under Existing Rates

Description	2024	2025	2026	2027	2028	2029
Projected Rate Revenues	\$4,316,600	\$4,338,300	\$4,360,300	\$4,382,300	\$4,404,300	\$4,426,500

Section 3 – Revenue Requirements

The City recovers the cost of providing stormwater services through the monthly user fees. Operating cash revenue requirements comprise various cost components associated with operating and maintaining the City's stormwater system, which is the infrastructure (ditches, pipes, channels, etc.) that conveys stormwater to waterbodies. The sum of these cost components, less any other income generated, represents the net revenue requirements that are funded from the monthly user fees. The projected revenue requirements over the Forecast Period include the various generalized cost components described below:

- **Operating and Maintenance (O&M) Expenses:** These expenses include the cost of labor, insurance, utilities, contractual services, maintenance, materials, supplies, administration, transfers to the general fund for indirect services or other indirect costs, and other items necessary for the operations and maintenance of the system.
- **Capital Improvement Plan:** This component of cost includes, in general, any ongoing capital improvements to be financed from revenues, purchases of new/replacement vehicles, transfers to reserves for future infrastructure rehabilitation or construction, and funding of certain capital projects on a pay-as-you-go basis.
- **Debt Service:** Debt service includes the principal and interest on outstanding debt obligations payable from the net operating revenues. The projected revenue requirements also include the assumption that there will be additional debt during the Forecast Period to fund implementation of capital improvement and resiliency projects.

Operating and Maintenance Expenses

The adopted fiscal year 2024 budget associated with the O&M of the Stormwater Management Utility Fund served as the basis for the system's expenditure projections. The budget was then projected through fiscal year 2029. Unless otherwise noted, the underlying assumptions and expenditure amounts included therein were assumed to be reasonable and reflect anticipated operations.

(Remainder of Page Intentionally Left Blank)

Table 3: Operating and Maintenance Cost Projection

Description [1]	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Personnel & Benefits	\$1,336,904	\$1,450,800	\$1,509,200	\$1,570,000	\$1,633,100	\$1,698,900
Professional Services	220,800	227,500	234,400	241,500	248,800	256,300
Contractual Services	141,230	145,500	149,900	154,400	159,100	163,900
Repair & Maintenance	155,000	159,659	164,450	169,392	174,483	179,725
Indirect Costs	420,100	432,800	445,900	459,400	473,300	487,600
ISF (Fleet/IT)	498,518	513,700	529,600	545,800	562,400	579,600
Other	102,725	106,600	110,400	114,300	118,300	122,500
Contingency	50,000	50,000	50,000	50,000	50,000	50,000
Total	\$2,925,277	\$3,086,559	\$3,193,850	\$3,304,792	\$3,419,483	\$3,538,525

[1] Personnel & Benefits line items were escalated by 4% annually; All other line items, except contingency, were escalated by 3% annually.

Through discussions with City staff, Raftelis has determined that many of the City's ongoing operation and maintenance activities have been mandated by the NPDES permit or are to prevent flooding and other system failures. According to the City's NPDES 2021 Annual Report, the following are the major components of the City's NPDES permit and Stormwater Management Plan:

1. Structural Controls and Stormwater Collection System Operation, Maintenance and Inspection requirements:
 - a. 57 miles of pipes – corrugated metal pipe (CMP) replacement projects discussed in Capital Improvement Plan section below; repair and replace based upon aging and failing infrastructure and customer complaints.
 - b. 59 miles of ditches – mowing quarterly, cleaning is conducted on a 7–10-year cycle or based upon customer complaint, some ditches are difficult to access for staff and maintenance is contracted out. Aquatic weed control is contracted out.
 - c. 2 canals
 - d. 30 major outfalls
 - e. 15 pollution control boxes – baffle boxes collect trash, which are cleaned as part of O&M program.
 - f. 1,998 inlets/catch basins/grates
 - g. Stormwater treatment infrastructure including 7 dry retention basins, 434 underdrain filter systems (underdrain pipe replacement projects described in capital improvement section below), 3 exfiltration trenches, 35 grass treatment swales, 8 dry detention systems, 2 wet detention systems, 2 detention basins with filtration systems.
2. Areas of Significant Redevelopment requirements:
 - a. Review of plans for pre-construction stormwater requirements
 - b. Stormwater treatment infrastructure
3. Roadway requirements:
 - a. Litter control program
 - b. Street Sweeping
4. Flood Control Projects
5. Treatment, Storage and Disposal (TSD) Facility requirements:
 - a. Yard inspections
 - b. Vehicle inspections

6. Pesticides, Herbicides, and Fertilizer Application requirements:
 - a. Staff training – provided at no cost by Pinellas County
 - b. Annually certified and licensed staff
 - c. Public outreach and education component
7. Illicit Discharge Detection and Elimination (IDDE) requirements:
 - a. Staff training
 - b. Spill response
 - c. Enforcement
 - d. Public education and outreach
 - e. Limitation of sanitary sewer seepage
 - f. Inspection program
8. Construction Site Controls requirements:
 - a. Construction plan review (internal/external)
 - b. Inspections and enforcement
 - c. Construction site operator training
9. Total Maximum Daily Loads for Curlew Creek and Cedar Creek
 - a. Water quality monitoring
 - b. Bacteria Control Plans

The City's Department of Public Works (DPW) staff are tasked with fulfilling most of the requirements of the NDPES permit, except where performed by outside contractors as mentioned above. The stormwater program currently has a total of 17.43 Full Time Equivalent (FTE hours) budgeted for Fiscal Year 2024. While much of the O&M program is done on cyclical basis, many of the O&M activities are the result of customer requests and complaints. To achieve the targeted levels of service with a proactive – rather than reactive – approach to O&M and to meet permit requirements, the City has reclassified two vacant positions, both Public Service Maintenance Associate I to Public Service Maintenance Associate II and Public Service Maintenance Associate III, which will include increased pay and benefits of \$25,000 and \$35,000, respectively, beginning in FY 2025. These position reclassifications will enable the City to perform routine pipe condition assessments. To achieve a proactive approach to O&M, the City will need to conduct a City-wide condition assessment of the stormwater collection system and increase frequency of IDDE inspections. These condition assessments will require the City to purchase additional equipment including a TV Inspection Truck and GPS Trimble Unit. The equipment and costs are described in additional detail in the Capital Improvement Plan section below.

Capital Improvement Plan

The capital expenditures for the Stormwater Management Utility Fund are based on estimated project costs derived from the City's projected capital improvement plan (CIP) as detailed in the Dunedin Municipal Business Plan (Business Plan)⁶, 2020 Stormwater Master Plan⁷, and discussion with City staff. The City's existing Business Plan identifies necessary capital projects from fiscal year 2024 through fiscal year 2029, as well as additional non-recurring operating capital expenses. In addition to the projects detailed in the Business Plan, there are projects from the 2020 Master Plan identified by City staff as necessary to fund during the Forecast Period to both maintain and improve levels of service (LOS) through increased resiliency during flood events and improved water quality. These capital projects were prioritized by the City as one of three categories, 'Immediate Priority' for critical and urgent projects that need immediate attention, 'Near Term Focus' for pressing projects with a

⁶ City of Dunedin, Florida, "City of Dunedin FY 2024 – FY 2029 Municipal Business Plan" as of September 8, 2023

⁷ Jones Edmunds, "City of Dunedin Stormwater Master Plan," June 2020

near-term need for action, or an ‘Identified Need’ for necessary project identified for long-term planning and implementation. The following table details the included stormwater master plan projects and their anticipated funding sources during the first six years of the Forecast Period.

Table 4: 2020 Master Plan Projects

Description	Timing	Funding Source [1]	Project Cost [2]
San Charles Drainage Improvement	FY 26	Pay-Go with 50% Grant Match	\$158,100
Buena Vista Drive Drainage Improvements	FY 27	Pay-Go with 50% Grant Match	491,200
Santa Barbara Drive Drainage Improvements	FY 27 - 28	Pay-Go with 50% Grant Match	1,735,000
Stirling Links Drainage Improvements	FY 28 - 29	Pay-Go with 50% Grant Match	3,577,800
Total			\$5,962,100

[1] It is assumed grants will cover 50% of the total project cost, with the remainder funded through stormwater cash reserves or “pay-go”.

[2] The cost estimates from the 2020 Stormwater Master Plan were escalated first into today’s costs based on the Engineering News Record (ENR) Construction Cost Index (CCI), representing an approximately 16.4% increase. An additional 13% market adjustment factor was added based on Staff experience with significantly higher recent project bids. Costs were then escalated moving forward year-by-year based on the twenty-year average ENR CCI of 3.5%.

In the 2020 Stormwater Master Plan, there are eight (8) projects identified to address flooding problem areas and needed water quality improvements. Of these, one has been completed. The projects included in the first six years of the funding plan were identified as the top priorities within the 2020 Master Plan and by City staff, with the remainder of the projects modeled in the study after fiscal year 2029. Any uncompleted projects from the City’s 2003 Master Plan have been included in the later part of the Forecast Period (Fiscal Years 2030-2033). As detailed in the 2020 Master Plan, large portions of each of the project areas do not meet the LOS for roadways and experience “sunny day flooding”, which refers to when tide levels exceed roadway grades and result in flooding. Sunny day flooding is anticipated to become more prevalent with rising sea levels, particularly in coastal communities like the City. Specific improvements associated with the included projects include installation of additional or larger reinforced concrete pipes and outfall pipes to increase capacity, installation of backflow prevention devices to eliminate sunny day flooding and other backflow events, and construction of ponds for attenuation and water quality improvement. These improvements enable the project areas to meet prescribed LOS by lowering water surface elevations and providing additional treatment and pollutant removal. Since all of these projects serve to improve resiliency to flooding and sea level rise, they are eligible for grant funding through the Resilient Florida Grant Program. Funding for these projects assumes a 50% grant match through this program with the remainder of project costs funded through stormwater cash reserves, or “pay-go”. Other resiliency projects identified by City staff which assume funding through the Resilient Florida Grant Program include installation of check valves in coastal areas, citywide sea level rise adaptation plan implementations, North Douglas/San Mateo Drive adaptation plan options, and a vulnerability assessment.

In addition to the master plan and resiliency-related projects, the City has identified the need for rehabilitation and replacement (R&R) and maintenance-type projects for corrugated metal pipes, gabions, underdrains, and check-valves, as well as other service level improvements, with funding provided through a combination of pay-go cash and debt. City staff have expressed concerns about potential failures of these assets over the next ten years due to infrastructure age and condition. One major challenge the City’s stormwater program faces is the inability to assess current infrastructure and have a full understanding of how to prioritize maintenance or replacements. To address this, two reclassified positions, along with an Inspection Truck (\$218,00 in FY 2025) and GPS Trimble (\$17,300 in FY 2026) have been included in the funding plan so that ongoing condition assessments can be performed to

improve operations and transition the program toward a more proactive approach, rather than the current reactive approach.

The following table shows all capital projects to be included across FY 2024 – FY 2029:

Table 5: Stormwater Capital Improvement Plan

Program Description	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Stormwater Maintenance	\$257,500	\$463,700	\$248,000	\$243,600	\$289,100	\$270,700	\$1,772,600
Infrastructure Repair/Replace	2,890,700	2,554,500	3,775,800	3,329,000	2,336,600	2,479,700	17,366,300
Roadway Drainage	312,600	276,500	295,000	314,000	333,800	354,200	1,886,100
Resiliency Implementation	456,000	763,800	2,105,000	2,148,800	3,163,800	2,337,900	10,975,300
Total	\$3,916,800	\$4,058,500	\$6,423,800	\$6,035,400	\$6,123,300	\$5,442,500	\$32,000,300

Existing and Proposed Debt

The Stormwater Management Utility Fund currently has three outstanding loans, Series 2012 Refunding Revenue Bonds, Series 2014 Revenue Bonds, and the Series 2021 Refunding Loan, with each maturing in FY 2028, FY 2045, and FY 2033, respectively. These three loans combined result in annual principal and interest payments of approximately \$826,000 per year. The maturation of the Series 2012 Refunding Revenue Bonds in FY 2028 will result in an approximately \$120,000 decrease in the combined annual debt payments.

As discussed previously, it is anticipated that the City will need to issue debt for some capital projects, including the gabion replacements on Pinehurst East and St. Catherine's and stormwater pipelining. The modeled terms of repayment for the future debt issuances are provided on the following table:

Table 6: Modeled Debt Service Obligations

Description	2025 Loan	2026 Loan	2027 Loan
Estimated Project Cost	\$1,272,100	\$2,890,800	\$1,130,600
Principal Amount [1]	\$1,394,273	\$3,168,433	\$1,239,183
Loan Term	25	25	25
Interest Rate	5.50%	5.50%	5.50%
Annual Debt Service Payment	\$103,942	\$236,205	\$92,380
First Year of Debt Service	2025	2026	2027

[1] Assumes 2% issuance costs.

The City is also considering the possibility of an interfund loan as an alternative to a debt issuance; however, a conservative approach was taken by assuming and modeling a bond issuance within the forecast. Additional debt issuances have been included within the forecast in Fiscal Year 2030 through Fiscal Year 2033.

(Remainder of Page Intentionally Left Blank)

Total Revenue Requirements

Based on the assumptions above, a summary of the assumed annual total revenue requirements over the forecast period are shown on the following table:

Table 7: Total Annual Revenue Requirements

Description	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Operating Costs	\$2,925,277	\$3,086,559	\$3,193,850	\$3,304,792	\$3,419,483	\$3,538,525
Existing Debt Service	826,793	828,715	824,160	827,537	826,709	705,822
Modeled Debt Service	0	103,942	340,147	432,527	432,527	432,527
Pay-Go Capital	3,709,800	2,675,800	2,451,100	3,799,000	4,508,100	4,202,700
Total Revenue Requirements	\$7,461,870	\$6,695,017	\$6,809,257	\$8,363,856	\$9,186,819	\$8,879,574

(Remainder of Page Intentionally Left Blank)

Section 4 – Revenue Sufficiency

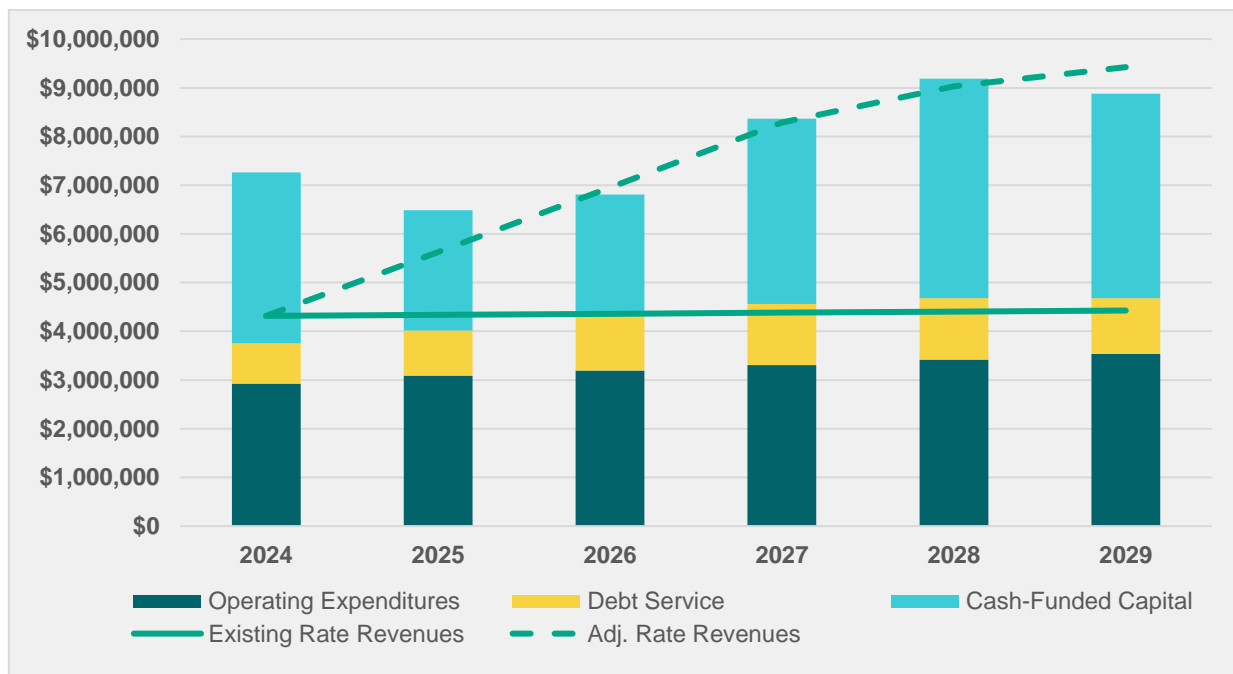
Projected revenues under existing rates are insufficient to cover the revenue requirements, as shown in Figure 1. In order to address this, stormwater rate adjustments are proposed to be phased-in over the next five (5) years in order to support fully funding the CIP, as well as providing adequate net revenues each year to meet debt service coverage ratios and maintain targeted minimum reserve levels, as shown in the table below. While the increases are phased-in, it is a front-loaded program to provide the necessary funding for the maintenance and improvement of levels of service, to address resiliency concerns, and to begin funding the master plan projects, while maintaining a strong financial outlook. The current fiscal year is managed with existing cash reserves.

Table 8: Proposed Rate Adjustments

Description	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Monthly Rate	\$12.62	\$16.37	\$20.12	\$23.87	\$25.87	\$26.87
Increase (\$)		\$3.75	\$3.75	\$3.75	\$2.00	\$1.00
Projected Rate Revenues	\$4,316,600	\$5,627,400	\$6,951,600	\$8,288,900	\$9,028,500	\$9,424,700

The projected net revenue requirements through fiscal year 2029 for the City’s Stormwater Management Utility Fund collected from user rates are summarized below, shown above on Table 8 and as derived from Exhibit 3. As shown by the solid line on the chart, the existing rates will not be sufficient to meet all revenue requirements, especially the needs for capital and additional crews. Therefore, it is recommended the City implement the recommended rate adjustments to recover adequate funds to complete needed capital improvements, pay for operating and maintenance costs, and provide an increased level of service.

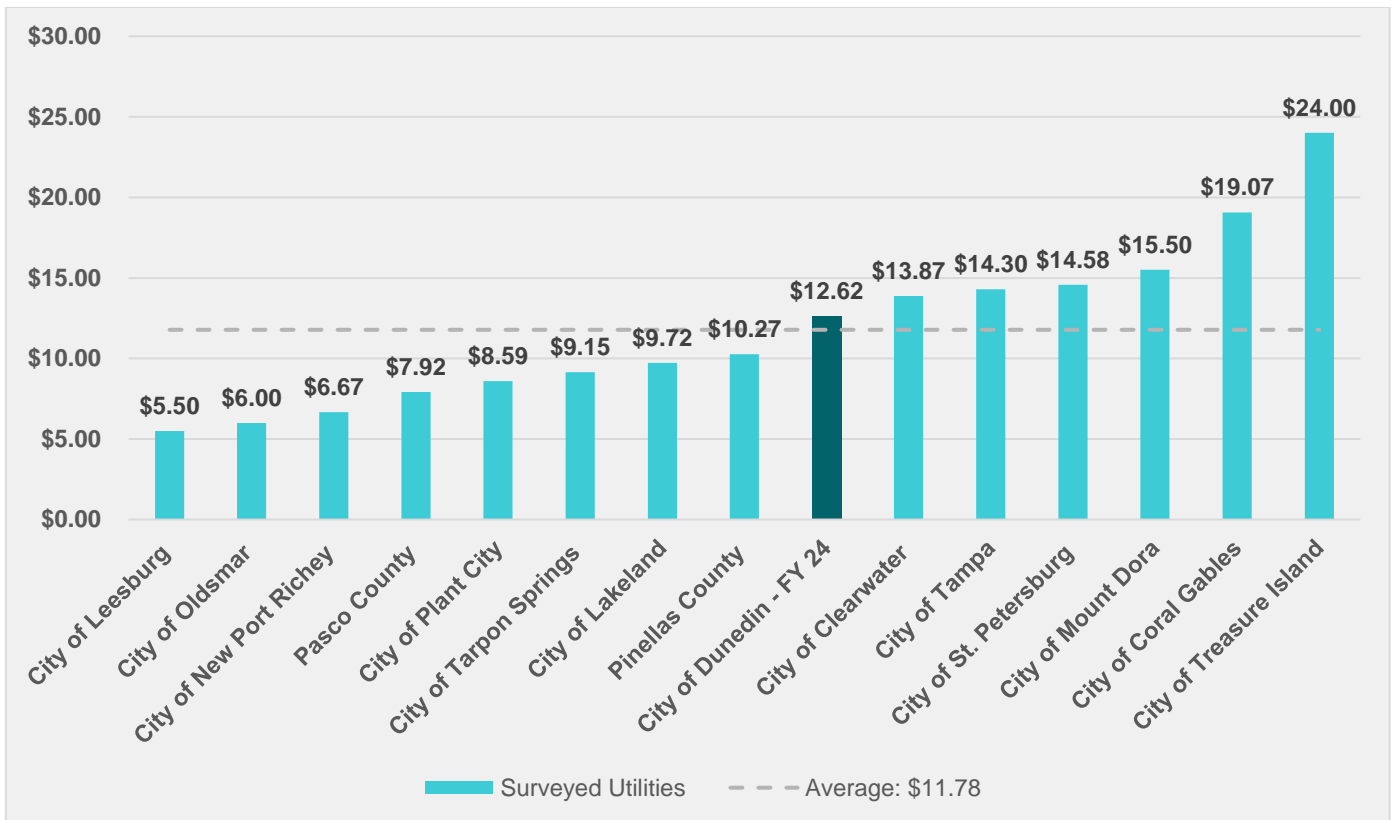
Figure 1: Financial Forecast



Proposed Residential Stormwater Rates and Comparisons

The City’s existing monthly rates per ERU have been compared with other jurisdictions. This rate comparison, as shown on Figure 2, includes a number of stormwater utilities throughout Florida. The City’s rates, to the extent practical, would ideally be comparable with those of neighboring and other similarly situated stormwater utilities. However, it should be noted that funding of stormwater programs is not equal in all cities. Some cities use stormwater fees for the majority of the funding requirements related to stormwater improvements, whereas others may supplement stormwater programs with infrastructure funds or other funding sources; further, municipalities have varying levels of service and infrastructure profiles meaning the level of investment in the system may not be directly comparable. These factors may result in the appearance of lower stormwater rates.

Figure 2: Comparison of Stormwater Rates



City of Dunedin
Exhibit 1: Operating Budget Forecast

Account	Description	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
		Budgeted	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Personnel											
443-5300-538-051101-SU-	EXECUTIVE SALARIES	\$28,205	\$29,400	\$30,600	\$31,900	\$33,200	\$34,600	\$36,000	\$37,500	\$39,000	\$40,600
443-5300-538-051201-SU-	REG SALARIES AND WAGES	847,322	941,300	979,000	1,018,200	1,059,000	1,101,400	1,145,500	1,191,400	1,239,100	1,288,700
443-5300-538-051301-SU-	OTHER WAGES & SALARIES	0	0	0	0	0	0	0	0	0	0
443-5300-538-051401-SU-	OVERTIME	26,200	27,300	28,400	29,600	30,800	32,100	33,400	34,800	36,200	37,700
443-5300-538-051501-SU-	SPECIAL PAY	13,000	13,600	14,200	14,800	15,400	16,100	16,800	17,500	18,200	19,000
443-5300-538-051530-SU-	UNIFORM ALLOWANCE	0	0	0	0	0	0	0	0	0	0
443-5300-538-052100-SU-	FICA TAXES	69,676	72,500	75,400	78,500	81,700	85,000	88,400	92,000	95,700	99,600
443-5300-538-052201-SU-	RETIREMENT CONTRIBUTIONS	77,449	80,600	83,900	87,300	90,800	94,500	98,300	102,300	106,400	110,700
443-5300-538-052203-SU-	OPEB	0	0	0	0	0	0	0	0	0	0
443-5300-538-052205-SU-	FRS-HIS PENSION EXPENSE	0	0	0	0	0	0	0	0	0	0
443-5300-538-052310-SU-	LIFE & HEALTH INSURANCE	233,652	243,000	252,800	263,000	273,600	284,600	296,000	307,900	320,300	333,200
443-5300-538-052480-SU-	ISF-WORKERS' COMP	41,400	43,100	44,900	46,700	48,600	50,600	52,700	54,900	57,100	59,400
443-5300-538-052801-SU-	TUITION REIMBURSEMENT	0	0	0	0	0	0	0	0	0	0
Personnel Total:		\$1,336,904	\$1,450,800	\$1,509,200	\$1,570,000	\$1,633,100	\$1,698,900	\$1,767,100	\$1,838,300	\$1,912,000	\$1,988,900
Operating Expenses											
443-5300-538-053110-SU-	PROFESSIONAL SERVICES	\$220,800	\$227,500	\$234,400	\$241,500	\$248,800	\$256,300	\$264,000	\$272,000	\$280,200	\$288,700
443-5300-538-053115-SU-	ISF - INFORMATION TECH.	49,100	50,600	52,200	53,800	55,500	57,200	59,000	60,800	62,700	64,600
443-5300-538-053130-SU-	MEDICAL	0	0	0	0	0	0	0	0	0	0
443-5300-538-053141-SU-	SUBSTANCE ABUSE TEST-DOT	0	0	0	0	0	0	0	0	0	0
443-5300-538-053405-SU-	OTHER CONTRACTUAL SERV	141,230	145,500	149,900	154,400	159,100	163,900	168,900	174,000	179,300	184,700
443-5300-538-053407-SU-	ANNUAL IT LIC, MAINT, SUB	0	0	0	0	0	0	0	0	0	0
443-5300-538-053422-SU-	WASTE	0	0	0	0	0	0	0	0	0	0
443-5300-538-053481-SU-	ISF-BUILDING MAINTENANCE	19,800	20,400	21,100	21,800	22,500	23,200	23,900	24,700	25,500	26,300
443-5300-538-053710-SU-	ADMIN COSTS-GENERAL FUND	343,200	353,500	364,200	375,200	386,500	398,100	410,100	422,500	435,200	448,300
443-5300-538-053720-SU-	ADMIN COSTS-UTLTY BILLING	76,900	79,300	81,700	84,200	86,800	89,500	92,200	95,000	97,900	100,900
443-5300-538-054010-SU-	TRAVEL & PER DIEM	5,600	5,800	6,000	6,200	6,400	6,600	6,800	7,100	7,400	7,700
443-5300-538-054110-SU-	COMMUNICATION SERVICE	12,875	13,300	13,700	14,200	14,700	15,200	15,700	16,200	16,700	17,300
443-5300-538-054210-SU-	FREIGHT & POSTAGE SERVICE	100	200	300	400	500	600	700	800	900	1,000
443-5300-538-054310-SU-	ELECTRICITY	1,800	1,900	2,000	2,100	2,200	2,300	2,400	2,500	2,600	2,700
443-5300-538-054330-SU-	WATER, SEWER, SANITATION	5,000	5,200	5,400	5,600	5,800	6,000	6,200	6,400	6,600	6,800
443-5300-538-054410-SU-	EQUIPMENT	17,500	18,100	18,700	19,300	19,900	20,500	21,200	21,900	22,600	23,300
443-5300-538-054470-SU-	FLEET ISF REPAIR/OVERHD	124,700	128,500	132,400	136,400	140,500	144,800	149,200	153,700	158,400	163,200
443-5300-538-054480-SU-	ISF-VEHICLES	214,998	221,500	228,200	235,100	242,200	249,500	257,000	264,800	272,800	281,000
443-5300-538-054490-SU-	FLEET ISF FUEL EST	42,100	43,400	44,800	46,200	47,600	49,100	50,600	52,200	53,800	55,500
443-5300-538-054580-SU-	ISF-INSURANCE	33,300	34,300	35,400	36,500	37,600	38,800	40,000	41,200	42,500	43,800
443-5300-538-054610-SU-	REPAIR & MAINTENANCE SRVC	825,000	849,800	875,300	901,600	928,700	956,600	985,300	1,014,900	1,045,400	1,076,800
443-5300-538-054610-SU-	REPAIR & MAINTENANCE SRVC - Reduction	(670,000)	(690,141)	(710,850)	(732,206)	(754,217)	(776,875)	(800,183)	(824,222)	(848,992)	(874,492)
443-5300-538-054620-SU-	R&M - SERVICED BLDGS	0	0	0	0	0	0	0	0	0	0
443-5300-538-054630-SU-	R&M - VEHICLES	0	0	0	0	0	0	0	0	0	0
443-5300-538-054680-SU-	ISF-CUSTODIAL SERVICES	14,520	15,000	15,500	16,000	16,500	17,000	17,600	18,200	18,800	19,400
443-5300-538-054710-SU-	PRINTING & BINDING	15,000	15,500	16,000	16,500	17,000	17,600	18,200	18,800	19,400	20,000
443-5300-538-054810-SU-	PROMOTIONAL ACTIVITIES	15,000	15,500	16,000	16,500	17,000	17,600	18,200	18,800	19,400	20,000
443-5300-538-054910-SU-	OTHER CURRENT CHARGES	0	0	0	0	0	0	0	0	0	0
443-5300-538-054912-SU-	LICENSES AND FEES	0	0	0	0	0	0	0	0	0	0
443-5300-538-055110-SU-	OFFICE SUPPLIES	500	600	700	800	900	1,000	1,100	1,200	1,300	1,400
443-5300-538-055210-SU-	OPERATING SUPPLIES	15,200	15,700	16,200	16,700	17,300	17,900	18,500	19,100	19,700	20,300
443-5300-538-055211-SU-	FUEL	0	0	0	0	0	0	0	0	0	0
443-5300-538-055222-SU-	UNIFORM CLEANING/EXPENSE	7,000	7,300	7,600	7,900	8,200	8,500	8,800	9,100	9,400	9,700
443-5300-538-055299-SU-	OP SUPPLIES - ATTRACTIVE ITEMS	0	0	0	0	0	0	0	0	0	0
443-5300-538-055410-SU-	BOOKS, PUBS, SUBSCRIPTION	1,750	1,900	2,000	2,100	2,200	2,300	2,400	2,500	2,600	2,700
443-5300-538-055500-SU-	TRAINING	5,400	5,600	5,800	6,000	6,200	6,400	6,600	6,800	7,100	7,400
Operating Expenses Total:		\$1,538,373	\$1,585,759	\$1,634,650	\$1,684,792	\$1,736,383	\$1,789,625	\$1,844,417	\$1,900,978	\$1,959,208	\$2,019,008
Contingency											
Contingency		\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Contingency Total:		\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Fund Total											
Fund Total		\$2,925,277	\$3,086,559	\$3,193,850	\$3,304,792	\$3,419,483	\$3,538,525	\$3,661,517	\$3,789,278	\$3,921,208	\$4,057,908

City of Dunedin
Exhibit 2: Escalated Capital Improvement Plan and Funding Sources

Program	Funding Source	Description	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Total
Stormwater Maintenance Program	Pay-Go	Ditch Maintenance	\$257,500	\$245,500	\$230,700	\$243,600	\$289,100	\$270,700	\$284,800	\$336,700	\$314,300	\$329,700	\$2,802,600
Infrastructure Repair/Replace Program	Pay-Go	Junction Box Rebuild and Tree Removal 928 Parkwood Drive	0	65,500	0	0	0	0	0	0	0	0	65,500
Infrastructure Repair/Replace Program	Pay-Go	CMP Replacement	0	553,100	590,000	628,100	667,600	708,500	375,400	397,300	419,900	443,400	4,783,300
Infrastructure Repair/Replace Program	Pay-Go	Underdrain Pipe Replacement	0	276,600	295,000	314,100	333,800	354,200	375,400	397,300	419,900	443,400	3,209,700
Infrastructure Repair/Replace Program	Pay-Go	Underdrain Replacement for Ranchwood South & East and Hitching Post	0	387,200	0	0	0	0	0	0	0	0	387,200
Infrastructure Repair/Replace Program	Pay-Go	Underdrain Replacement Country Lane	173,800	0	0	0	0	0	0	0	0	0	173,800
Infrastructure Repair/Replace Program	Pay-Go	Gabion Repair & Maintenance	0	0	0	0	667,600	708,500	750,800	794,500	419,900	443,400	3,784,700
Infrastructure Repair/Replace Program	Debt	Gabion Replacement Pinehurst East	0	165,900	1,592,900	0	0	0	0	0	0	0	1,758,800
Infrastructure Repair/Replace Program	Pay-Go	Gabion Replacement Pinehurst West & Royal Oak	1,552,500	0	0	0	0	0	0	0	0	0	1,552,500
Infrastructure Repair/Replace Program	Debt	Gabion Replacement St. Catherine's	0	0	118,000	1,130,600	0	0	0	0	0	0	1,248,600
Infrastructure Repair/Replace Program	Pay-Go	Stormwater Pipe Lining	393,300	0	0	1,256,200	667,600	708,500	750,800	794,500	839,900	886,700	6,297,500
Infrastructure Repair/Replace Program	Debt	Stormwater Pipe Lining - Debt Funded	0	1,106,200	1,179,900	0	0	0	0	0	0	0	2,286,100
Roadway Drainage Program	Pay-Go	Brick Streets	51,800	55,300	59,000	62,800	66,800	70,800	75,100	79,500	84,000	88,700	693,800
Roadway Drainage Program	Pay-Go	Pavement Management	207,000	221,200	236,000	251,200	267,000	283,400	300,300	317,800	0	0	2,083,900
Resiliency Implementation Program	Pay-Go	Replacement and maintenance of one-way check valves	51,800	55,300	59,000	62,800	66,800	0	0	0	0	0	295,700
Roadway Drainage Program	Pay-Go	Washington St. Drainage Improvement	53,800	0	0	0	0	0	0	0	0	0	53,800
Resiliency Implementation Program	Grants	Check Valves in coastal subdivisions	207,000	110,600	118,000	125,600	133,500	141,700	0	0	0	0	836,400
Resiliency Implementation Program	Pay-Go	Baywood Shores Adaption Strategies	0	387,200	0	0	0	0	0	0	0	0	387,200
Resiliency Implementation Program	Pay-Go	North Douglas Avenue/San Mateo Drive Adaption Plan Options	0	0	885,000	0	0	0	0	0	0	0	885,000
Resiliency Implementation Program	Grants	North Douglas Avenue/San Mateo Drive Adaption Plan Options - Grant Match	0	0	884,900	0	0	0	0	0	0	0	884,900
Resiliency Implementation Program	Pay-Go	Citywide Sea Level Rise Adaption Plan Implementations	0	0	0	314,100	166,900	177,100	187,700	198,600	0	0	1,044,400
Resiliency Implementation Program	Grants	Citywide Sea Level Rise Adaption Plan Implementations - Grant Match	0	0	0	314,000	166,900	177,100	187,700	198,700	0	0	1,044,400
Resiliency Implementation Program	Reimb. Grants	Vulnerability Assessment	197,200	210,700	0	0	0	0	0	0	0	0	407,900
Resiliency Implementation Program	Pay-Go	Buena Vista Drive Drainage Improvements	0	0	0	245,600	0	0	0	0	0	0	245,600
Resiliency Implementation Program	Grants	Buena Vista Drive Drainage Improvements - Grant Match	0	0	0	245,600	0	0	0	0	0	0	245,600
Resiliency Implementation Program	Pay-Go	Santa Barbara Drive Drainage Improvements	0	0	0	420,500	447,000	0	0	0	0	0	867,500
Resiliency Implementation Program	Grants	Santa Barbara Drive Drainage Improvements - Grant Match	0	0	0	420,600	446,900	0	0	0	0	0	867,500
Resiliency Implementation Program	Pay-Go	San Charles Drainage Improvement	0	0	79,100	0	0	0	0	0	0	0	79,100
Resiliency Implementation Program	Grants	San Charles Drainage Improvement - Grant Match	0	0	79,000	0	0	0	0	0	0	0	79,000
Resiliency Implementation Program	Pay-Go	Main Street Drainage Improvements	0	0	0	0	0	0	0	0	2,487,600	0	2,487,600
Resiliency Implementation Program	Grants	Main Street Drainage Improvements - Grant Match	0	0	0	0	0	0	0	0	2,487,700	0	2,487,700
Resiliency Implementation Program	Debt	Michigan Blvd Drainage Improvements	0	0	0	0	0	0	0	0	0	2,578,700	2,578,700
Resiliency Implementation Program	Grants	Michigan Blvd Drainage Improvements - Grant Match	0	0	0	0	0	0	0	0	0	2,578,600	2,578,600
Resiliency Implementation Program	Pay-Go	Palm Blvd Drainage Improvements	0	0	0	0	0	0	0	2,065,800	0	0	2,065,800
Resiliency Implementation Program	Grants	Palm Blvd Drainage Improvements - Grant Match	0	0	0	0	0	0	0	2,065,800	0	0	2,065,800
Resiliency Implementation Program	Pay-Go	Stirling Links Drainage Improvements	0	0	0	0	867,900	921,000	0	0	0	0	1,788,900
Resiliency Implementation Program	Grants	Stirling Links Drainage Improvements - Grant Match	0	0	0	0	867,900	921,000	0	0	0	0	1,788,900
Stormwater Maintenance Program	Pay-Go	TV Inspection Truck	0	218,200	0	0	0	0	0	0	0	0	218,200
Stormwater Maintenance Program	Pay-Go	GPS Trimble	0	0	17,300	0	0	0	0	0	0	0	17,300
Resiliency Implementation Program	Debt	Amberlea Subdivision	0	0	0	0	0	0	1,004,500	0	0	0	1,004,500
Resiliency Implementation Program	Debt	Hillside Park Subdivision	0	0	0	0	0	0	0	1,414,300	0	0	1,414,300
Infrastructure Repair/Replace Program	Pay-Go	Brady Box Culvert	771,100	0	0	0	0	0	0	0	0	0	771,100
Resiliency Implementation Program	Pay-Go	Coastal Outfalls > 36" Diameter	0	0	0	0	0	0	0	487,400	557,900	1,381,000	2,426,300
Resiliency Implementation Program	Debt	Coastal Outfalls > 36" Diameter - Debt Split Fund	0	0	0	0	0	0	0	750,000	750,000	0	1,500,000
Resiliency Implementation Program	Debt	Coastal Outfalls < 36" Diameter	0	0	0	0	0	0	0	1,799,400	1,902,000	2,008,200	5,709,600
	Pay-Go		0	0	0	0	0	0	0	0	0	0	0
Total CIP Expenses			\$3,916,800	\$4,058,500	\$6,423,800	\$6,035,400	\$6,123,300	\$5,442,500	\$4,292,500	\$12,097,600	\$10,683,100	\$11,181,800	\$70,255,300
Capital Funding Sources			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Total
	Reimb. Grants		\$197,200	\$210,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$407,900
	Grants		207,000	110,600	1,081,900	1,105,800	1,615,200	1,239,800	187,700	2,264,500	2,487,700	2,578,600	12,878,800
	Pay-Go		3,512,600	2,465,100	2,451,100	3,799,000	4,508,100	4,202,700	3,100,300	5,869,400	5,543,400	4,016,300	39,468,000
	Debt		0	1,272,100	2,890,800	1,130,600	0	0	1,004,500	3,963,700	2,652,000	4,586,900	17,500,600
Total CIP Expenses			\$3,916,800	\$4,058,500	\$6,423,800	\$6,035,400	\$6,123,300	\$5,442,500	\$4,292,500	\$12,097,600	\$10,683,100	\$11,181,800	\$70,255,300

City of Dunedin
Exhibit 3: Projected Revenue Requirements

Total Revenue Requirements	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Operating Costs	\$ 2,925,277	\$ 3,086,559	\$ 3,193,850	\$ 3,304,792	\$ 3,419,483	\$ 3,538,525	\$ 3,661,517	\$ 3,789,278	\$ 3,921,208	\$ 4,057,908
Pay-Go Capital Costs	\$ 3,512,600	\$ 2,465,100	\$ 2,451,100	\$ 3,799,000	\$ 4,508,100	\$ 4,202,700	\$ 3,100,300	\$ 5,869,400	\$ 5,543,400	\$ 4,016,300
Reimbursable Grant Costs	\$ 197,200	\$ 210,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service										
Refunding Revenue Bonds, Series 2012	\$ 118,904	\$ 120,072	\$ 119,782	\$ 119,563	\$ 119,464	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Bonds, Series 2014	\$ 340,491	\$ 341,750	\$ 337,050	\$ 341,275	\$ 340,238	\$ 338,575	\$ 336,275	\$ 338,675	\$ 335,775	\$ 337,575
Refunding Loan, Series 2021	\$ 367,397	\$ 366,894	\$ 367,328	\$ 366,699	\$ 367,008	\$ 367,247	\$ 367,417	\$ 367,517	\$ 366,555	\$ 366,530
Proposed	\$ -	\$ 103,942	\$ 340,147	\$ 432,527	\$ 432,527	\$ 432,527	\$ 523,411	\$ 882,032	\$ 1,121,976	\$ 1,536,983
Total Revenue Requirements	\$ 7,461,870	\$ 6,695,017	\$ 6,809,257	\$ 8,363,856	\$ 9,186,819	\$ 8,879,574	\$ 7,988,919	\$ 11,246,903	\$ 11,288,914	\$ 10,315,295

City of Dunedin
Exhibit 4: Fund Balance

Billing & Collections	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Total Stormwater Fee Revenue	\$ 4,316,600	\$ 5,627,400	\$ 6,951,600	\$ 8,288,900	\$ 9,028,500	\$ 9,424,700	\$ 9,756,200	\$ 10,099,400	\$ 10,455,000	\$ 10,822,600
Stormwater Fund	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Transfers In										
Projected Stormwater Fee Revenue	\$ 4,316,600	\$ 5,627,400	\$ 6,951,600	\$ 8,288,900	\$ 9,028,500	\$ 9,424,700	\$ 9,756,200	\$ 10,099,400	\$ 10,455,000	\$ 10,822,600
Grant Reimbursement	\$ -	\$ 197,200	\$ 210,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	\$ 207,000	\$ 110,600	\$ 1,081,900	\$ 1,105,800	\$ 1,615,200	\$ 1,239,800	\$ 187,700	\$ 2,264,500	\$ 2,487,700	\$ 2,578,600
Total Transfers In	\$ 4,523,600	\$ 5,935,200	\$ 8,244,200	\$ 9,394,700	\$ 10,643,700	\$ 10,664,500	\$ 9,943,900	\$ 12,363,900	\$ 12,942,700	\$ 13,401,200
Transfers Out										
Operating Costs	\$ 2,925,277	\$ 3,086,559	\$ 3,193,850	\$ 3,304,792	\$ 3,419,483	\$ 3,538,525	\$ 3,661,517	\$ 3,789,278	\$ 3,921,208	\$ 4,057,908
Pay-Go Capital Costs	\$ 3,512,600	\$ 2,465,100	\$ 2,451,100	\$ 3,799,000	\$ 4,508,100	\$ 4,202,700	\$ 3,100,300	\$ 5,869,400	\$ 5,543,400	\$ 4,016,300
Grant Capital Costs	\$ 404,200	\$ 321,300	\$ 1,081,900	\$ 1,105,800	\$ 1,615,200	\$ 1,239,800	\$ 187,700	\$ 2,264,500	\$ 2,487,700	\$ 2,578,600
Debt Service	\$ 826,793	\$ 932,658	\$ 1,164,307	\$ 1,260,064	\$ 1,259,236	\$ 1,138,349	\$ 1,227,102	\$ 1,588,224	\$ 1,824,306	\$ 2,241,088
Total Transfers Out	\$ 7,668,870	\$ 6,805,617	\$ 7,891,157	\$ 9,469,656	\$ 10,802,019	\$ 10,119,374	\$ 8,176,619	\$ 13,511,403	\$ 13,776,614	\$ 12,893,895
Surplus / (Deficit)	(\$3,145,270)	(\$870,418)	\$353,043	(\$74,956)	(\$158,320)	\$545,127	\$1,767,281	(\$1,147,503)	(\$833,915)	\$507,305
FY Beginning Fund Balance	\$ 5,692,935	\$ 2,547,665	\$ 1,677,247	\$ 2,030,290	\$ 1,955,334	\$ 1,797,014	\$ 2,342,141	\$ 4,109,422	\$ 2,961,919	\$ 2,128,004
FY Ending Fund Balance	\$ 2,547,665	\$ 1,677,247	\$ 2,030,290	\$ 1,955,334	\$ 1,797,014	\$ 2,342,141	\$ 4,109,422	\$ 2,961,919	\$ 2,128,004	\$ 2,635,309
Operating & Capital Reserve Policy Target	\$ 1,231,319	\$ 1,271,640	\$ 1,298,463	\$ 1,326,198	\$ 1,354,871	\$ 1,384,631	\$ 1,415,379	\$ 1,447,320	\$ 1,480,302	\$ 1,514,477
Operating & Capital Reserve Rec'd Target	\$ 2,033,991	\$ 2,119,906	\$ 2,193,918	\$ 2,270,494	\$ 2,349,717	\$ 2,431,797	\$ 2,516,696	\$ 2,604,682	\$ 2,695,673	\$ 2,789,886

Note: The following assumptions were made between FY 2030 - FY 2033:

1. Approximately \$13.4 million in debt is assumed for three Master Plan 2003 projects and one Master Plan 2020 project between FY 2031 - FY 2033. All of these debt issuances assume a 25 year repayment term, 6.5% interest, and 2% issuance cost.
2. Master Plan 2020 projects assume a 50% grant match as shown in Exhibit 2.
3. Inflationary stormwater rate adjustments of 3% are assumed annually between FY 2030 - FY 2033.
4. Master Plan projects after FY 2030 may be re-evaluated by the City later in the Forecast Period.