

FY 2026 Budget Status Update

Utilities Construction and OM&R Funds

Utilities Advisory Board Meeting
June 23, 2025



Punta Gorda

Utilities Construction Fund

Proforma FY 2026 - 2030

| | Proposed FY 2026 | Proforma FY 2027 | Proforma FY 2028 | Proforma FY 2029 | Proforma FY 2030 |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Transfer from Utilities OM&R | \$ 10,355,000 | \$ 7,370,000 | \$ 3,705,000 | \$ 5,620,000 | \$ 1,720,000 |
| Estimated Grants Septic to Sewer | 0 | 0 | 2,750,000 | 0 | 0 |
| Estimated Financing Septic to Sewer | 0 | 1,000,000 | 10,286,400 | 0 | 0 |
| Estimated Financing AMI Equipment | 10,000,000 | 0 | 0 | 0 | 0 |
| Estimated Financing WTP RO Expansion | 26,000,000 | 26,000,000 | 0 | 0 | 0 |
| Estimated Financing WTP Filtration | 11,521,000 | 11,521,000 | 0 | 0 | 0 |
| TOTAL REVENUES | \$57,876,000 | \$45,891,000 | \$16,741,400 | \$ 5,620,000 | \$ 1,720,000 |
| Water Treatment Plant Improvements | \$ 40,506,000 | \$ 38,021,000 | \$ 500,000 | \$ 800,000 | \$ 600,000 |
| Water Distribution System Improv | 10,220,000 | 220,000 | 220,000 | 3,720,000 | 220,000 |
| Wastewater Collection System Improv | 2,250,000 | 2,250,000 | 900,000 | 900,000 | 900,000 |
| Wastewater Treatment Plant Improv | 4,900,000 | 3,900,000 | 2,085,000 | 200,000 | - |
| Septic to Sewer Projects | 0 | 1,000,000 | 13,036,400 | 0 | 0 |
| Non-Departmental | 0 | 500,000 | 0 | 0 | 0 |
| TOTAL EXPENDITURES | \$57,876,000 | \$45,891,000 | \$16,741,400 | \$ 5,620,000 | \$ 1,720,000 |

Utilities Construction Fund

Recurring \$1.12M R&R Projects

(in thousands of dollars)

| PROJECT IDENTIFICATION | TOTAL PROJECT COST | Prior Years' Funding | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
|--|--------------------|----------------------|--------------|--------------|--------------|--------------|--------------|
| FUNDING SOURCE: Utilities Fund current revenue of \$1.12M per policy for R&R Projects | | | | | | | |
| Water System Utility Relocation Misc. Projects | 100 | Annual | 20 | 20 | 20 | 20 | 20 |
| Watermain Renewal/Replacement Projects | 500 | Annual | 100 | 100 | 100 | 100 | 100 |
| Watermain Valve Projects | 500 | Annual | 100 | 100 | 100 | 100 | 100 |
| Wastewater Gravity Sewer Replacement Projects | 750 | Annual | 150 | 150 | 150 | 150 | 150 |
| Wastewater Lift Station Renewal/Replacement Projects | 1,000 | Annual | 200 | 200 | 200 | 200 | 200 |
| Wastewater Inflow Abatement - Rehabilitation Structures | 1,000 | Annual | 200 | 200 | 200 | 200 | 200 |
| Wastewater Force Main Renewal/Replacement Projects | 1,750 | Annual | 350 | 350 | 350 | 350 | 350 |
| R&R Projects Total | 5,600 | 0 | 1,120 | 1,120 | 1,120 | 1,120 | 1,120 |



Utilities Construction Fund

Wastewater Projects

| PROJECT IDENTIFICATION | TOTAL PROJECT COST | Prior Years' Funding | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
|---|--------------------|----------------------|--------------|--------------|---------------|------------|----------|
| FUNDING SOURCE: Utilities Fund current revenues and Reserves, Grants, Impact Fees, and Financing | | | | | | | |
| Administration | | | | | | | |
| Septic to Sewer (Areas 1) | 19,836 | 5,800 | 0 | 1,000 | 13,036 | 0 | 0 |
| Wastewater Projects | | | | | | | |
| Lift Station 30 Gravity Rehab | 4,550 | 1,850 | 1,350 | 1,350 | 0 | 0 | 0 |
| Riverside Dr Force Main Extension | 1,600 | 1,600 | 0 | 0 | 0 | 0 | 0 |
| Henry St 20" Force Main crossing I-75 | 2,040 | 2,040 | 0 | 0 | 0 | 0 | 0 |
| US41 Northbound Sewer Relocation (FDOT) round-a-bout | 260 | 260 | 0 | 0 | 0 | 0 | 0 |
| Wastewater Nutrient Management Plan (Bio Solids) Land App | 424 | 224 | 0 | 200 | 0 | 0 | 0 |
| Wastewater Treatment Plant Improvement | 78,200 | 78,200 | 0 | 0 | 0 | 0 | 0 |
| Wastewater Treatment Plant Tank Coating | 1,800 | 800 | 0 | 1,000 | 0 | 0 | 0 |
| Wastewater Treatment Plant Permit Renewal (FDEP) | 170 | 85 | 0 | 0 | 85 | 0 | 0 |
| Wastewater Deep Injection Well Mechanical Integrity Test (MIT) | 185 | 85 | 0 | 0 | 0 | 100 | 0 |
| Wastewater Deep Injection Well Permit Renewal | 185 | 85 | 0 | 0 | 0 | 100 | 0 |
| Wastewater Master Pump Facility upgrades & BPF Generator | 6,100 | 1,900 | 2,200 | 2,000 | 0 | 0 | 0 |
| Wastewater Generator Replacement @BPF | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wastewater Pond Liner Replacement | 2,400 | 1,000 | 700 | 700 | 0 | 0 | 0 |
| Wastewater Treatment Plant AC Replacement | 425 | 425 | 0 | 0 | 0 | 0 | 0 |
| Wastewater Bio-solid processing | 4,300 | 300 | 2,000 | 0 | 2,000 | 0 | 0 |
| Wastewater Projects Total | 122,475 | 94,654 | 6,250 | 6,250 | 15,121 | 200 | 0 |

Utilities Construction Fund

Water Projects

| PROJECT IDENTIFICATION | TOTAL PROJECT COST | Prior Years' Funding | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
|---|--------------------|----------------------|---------------|---------------|---------------|--------------|--------------|
| FUNDING SOURCE: Utilities Fund current revenues and Reserves, Grants, Impact Fees, and Financing | | | | | | | |
| Water Projects | | | | | | | |
| Utility Water & Wastewater Master Plan (NEW) | 500 | 0 | 0 | 500 | 0 | 0 | 0 |
| AMI Meter System Replacement | 10,000 | 0 | 10,000 | 0 | 0 | 0 | 0 |
| WTP - Hydrobiological Monitoring Plan (HBMP) | 300 | 150 | 0 | 0 | 0 | 150 | 0 |
| WTP - R.O Water Use Permit | 200 | 0 | 200 | 0 | 0 | 0 | 0 |
| WTP - Steel Building | 200 | 0 | 200 | | | | |
| WTP - Carbon Slurry System Replacement | 2,300 | 300 | 2,000 | 0 | 0 | 0 | 0 |
| WTP - Hendrickson Dam Inspection Program & maintenance | 90 | 90 | 0 | 0 | 0 | 0 | 0 |
| WTP - Well Remediation | 4,184 | 1,684 | 500 | 500 | 500 | 500 | 500 |
| WTP - Rehabilitation Surface Water | 56,000 | 32,958 | 11,521 | 11,521 | 0 | 0 | 0 |
| WTP - Alum Tank | 1,300 | 1,300 | 0 | 0 | 0 | 0 | 0 |
| WTO - Amonia | 1,000 | 1,000 | 0 | 0 | 0 | 0 | 0 |
| WTP - Burnt Store Rd Booster Station Pipe Riser Repair & Pumps | 3,970 | 3,970 | 0 | 0 | 0 | 0 | 0 |
| WTP - RO Brine Disposal Well / Mechanical Integrity Test (MIT) | 300 | 150 | 0 | 0 | 0 | 150 | 0 |
| WTP - RO Brine Disposal Well (DIW) Deep Injection Well Permit Renewal | 185 | 0 | 85 | 0 | 0 | 0 | 100 |
| WTP - Reverse Osmosis RO Expansion | 56,000 | 4,000 | 26,000 | 26,000 | 0 | 0 | 0 |
| WTP - RO Repair/Restoration of acid injection quill, static mixer, and acid feed piping system | 1,100 | 1,100 | 0 | 0 | 0 | 0 | 0 |
| Water - Solona Watermain Replacement Upgrade | 3,700 | 200 | 0 | 0 | 0 | 3,500 | 0 |
| Water - Bal Harbor Water Main Replacement | 1,000 | 1,000 | 0 | 0 | 0 | 0 | 0 |
| Water - Airport Road Water Main Replacement | 1,000 | 1,000 | 0 | 0 | 0 | 0 | 0 |
| Water - Via Tripoli Water Main Replacement | 1,000 | 1,000 | 0 | 0 | 0 | 0 | 0 |
| Water Projects Total | 144,329 | 49,902 | 50,506 | 38,521 | 500 | 4,300 | 600 |
| UTILITIES CONSTRUCTION FUND TOTAL | 272,404 | 144,556 | 57,876 | 45,891 | 16,741 | 5,620 | 1,720 |

Utilities Operations Fund

Proforma FY 2026 - 2030

| | Proposed FY 2026 | Proforma FY 2027 | Proforma FY 2028 | Proforma FY 2029 | Proforma FY 2030 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Operating Revenues | \$ 24,413,635 | \$ 24,444,215 | \$ 24,565,420 | \$ 24,687,255 | \$ 24,839,725 |
| Proposed Rate Increases (cumulative) | 2,871,800 | 6,102,575 | 9,735,465 | 13,818,810 | 15,730,440 |
| Transfers from Water & WW Impacts | 499,800 | 1,529,800 | 1,529,800 | 1,529,800 | 1,529,800 |
| Increase in WW billings Septic to Sewer | 0 | 0 | 152,000 | 170,240 | 178,750 |
| Annual Assessments - Septic to Sewer | 0 | 0 | 350,000 | 350,000 | 350,000 |
| TOTAL REVENUES | \$ 27,785,235 | \$ 32,076,590 | \$ 36,332,685 | \$ 40,556,105 | \$ 42,628,715 |
| Operating Expenditures | \$ 20,845,010 | \$ 21,333,325 | \$ 22,677,680 | \$ 22,637,340 | \$ 23,660,635 |
| Renewal & Replacement of Infrastructure | 1,120,000 | 1,120,000 | 1,120,000 | 1,120,000 | 1,120,000 |
| Transfer to Utilities Construction | 9,235,000 | 6,250,000 | 2,585,000 | 4,500,000 | 600,000 |
| RO Debt Service | 999,595 | 999,595 | 999,595 | 999,595 | 999,595 |
| Transfer to SRF Fund-reserve incr(decr) | 0 | 1,500,000 | 0 | 0 | 0 |
| Est. new debt service WWTP Improvemen | 0 | 1,750,225 | 3,500,450 | 3,500,450 | 3,500,450 |
| Est. new debt service Septic to Sewer-Are | 0 | 0 | 0 | 344,000 | 688,000 |
| Est. new debt service AMI Equipment | 0 | 0 | 1,223,135 | 1,223,135 | 1,223,135 |
| Est. new debt service WTP RO Expansion | 0 | 0 | 1,705,550 | 3,411,100 | 3,411,100 |
| Est. new debt service WTP Filtration Reha | 0 | 0 | 1,705,550 | 3,411,100 | 3,411,100 |
| TOTAL EXPENDITURES | \$ 32,199,605 | \$ 32,953,145 | \$ 35,516,960 | \$ 41,146,720 | \$ 38,614,015 |
| Beg. Operating Reserve | \$ 8,882,542 | \$ 4,468,172 | \$ 3,591,617 | \$ 4,407,342 | \$ 3,816,727 |
| End. Operating Reserve | \$ 4,468,172 | \$ 3,591,617 | \$ 4,407,342 | \$ 3,816,727 | \$ 7,831,427 |
| R&R Capital Reserve | \$ 1,500,000 | \$ 1,500,000 | \$ 1,500,000 | \$ 1,500,000 | \$ 1,500,000 |

Utilities Fund

FY 2026 – 2030 Proforma

Revenue Assumptions:

- Proforma shows proposed rate increase of 12% FY 2026 and estimated increases of 12% through FY2029 and then estimate of 5% in FY 2030 to fund debt service on significant CIP projects
- Rate study with updated CIP plan is in process and expected to be presented to UAB in July and Council in August
- FY 2026-2030 est. 0.5% growth and averages to account for consumption changes due to rainfall and other factors
- Water and wastewater impact fees – can fluctuate widely; also included in the rate study. Estimated lower revenues in FY 2026 for slower growth

Utilities Fund

Impact Fee Revenue History

| Fiscal Year | Water Impact Revenues | Wastewater Impact Revenues |
|--------------------|------------------------------|-----------------------------------|
| 2016 | \$914,335 | \$888,680 |
| 2017 | \$1,361,272 | \$763,327 |
| 2018 | \$805,960 | \$793,219 |
| 2019 | \$727,546 | \$711,438 |
| 2020 | \$1,012,263 | \$1,001,756 |
| 2021 | \$437,334 | \$700,760 |
| 2022 | \$701,971 | \$1,319,455 |
| 2023 | \$154,848 | \$266,442 |
| 2024 | \$339,384 | \$594,141 |
| Projected 2025 | \$660,050 | \$ 1,159,200 |

Utilities Fund

FY 2026 – 2030 Proforma

Revenue Assumptions:

- FY 2025-2030 Water Impact transfer for partial debt service on RO project
- FY 2027-2030 Wastewater Impact transfer for partial debt service on WWTP improvement project
- FY 2028-2030 Estimated annual assessments and new wastewater revenue for Septic to Sewer project (Area 1)



Utilities Fund

FY 2026 – 2030 Proforma

Expense Assumptions - Personnel:

- Personnel Estimates – 4% merit; health insurance est 8% incr; pension per actuary report spread over all funds; defined contribution pension per elections; workers comp insurance est 15%; FY 2027-2030 estimates: 4% merit, 6% health insurance; 5% pension; 10% workers comp insurance



Utilities Fund

FY 2026 – 2030 Proforma

Expense Assumptions - Operating:

- Estimates – FY 2026 per departmental request mostly flat; computer overhead 3% and administration charges 3% incr-final will be determined when all budgets are completed; general liability insurances est 8%; FY 2027-2030 operating increases 3% except general liability insurance at 5%
- Items of note:
 - Meter Reading Contract \$275,000 per year
 - Valve Maintenance program \$225,000 per year
 - WellField Management Consulting \$100,000 per year
 - Nutrient Management Plan \$60,000 per year
 - Sludge Hauling (rule change in sludge application) \$200,000 per year

Utilities Fund

FY 2026 – 2030 Proforma

Expense Assumptions - Operating:

➤ Items of note (continued):

- WTP - Chemical costs have continued to see increases due to cost and higher use in operations
- WTP, WWC, WD - Repair and maintenance of increases due to aging fleet/equipment, cost increases, and newer equipment not as reliable as in the past
- WTP – Material and supplies for sand needed for drying beds
- WWTP – Field improvement increase of \$50,000 for application of lime due to low PH in soils
- WD – Training increase for CDL licenses
- WWC – Training increase for required safety training
- Electricity increase 12% beginning January 1, 2026

Utilities Fund

FY 2026 – 2030 Proforma

(All figures in thousands of dollars)

| Capital Outlay | TOTAL PROJECT COST | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
|--|--------------------|---------|---------|---------|---------|---------|
| Utilities Administration (1620): | | | | | | |
| Replace 2008 Utility Vehicle 4x4 (6820) | 50 | 50 | 0 | 0 | 0 | 0 |
| Replace 2014 4-Door Sedan (6929) | 60 | 60 | 0 | 0 | 0 | 0 |
| Water Treatment Plant (1621): | | | | | | |
| Replace 2007 generator (6837) | 71 | 71 | 0 | 0 | 0 | 0 |
| Replace 2015 All Terrain Vehicle (6967) | 15 | 15 | 0 | 0 | 0 | 0 |
| Replace 2016 4x4 Pickup Truck (6971) | 40 | 40 | 0 | 0 | 0 | 0 |
| New Mower | 7 | 7 | 0 | 0 | 0 | 0 |
| Replace 2007 Articulated Loader (6834) | 110 | 0 | 110 | 0 | 0 | 0 |
| Replace 2018 Utility Vehicle (7019) | 18 | 0 | 18 | 0 | 0 | 0 |
| Replace 2007 Dump Truck (6829) | 90 | 0 | 90 | 0 | 0 | 0 |
| Replace 2016 Tractor (5516) | 98 | 0 | 98 | 0 | 0 | 0 |
| Replace 2015 All Terrain Vehicle (6968) | 18 | 0 | 18 | 0 | 0 | 0 |
| Replace 2008 Carolina Skiff (6850) | 30 | 0 | 30 | 0 | 0 | 0 |
| Replace 2012 6 x 8 Utility Trailer (6888) | 8 | 0 | 8 | 0 | 0 | 0 |
| Replace 2014 Lift (6922) | 39 | 0 | 39 | 0 | 0 | 0 |
| Replace 2019 Pickup Truck (7786) | 35 | 0 | 0 | 35 | 0 | 0 |
| Replace 2017 Loader (7003) | 73 | 0 | 0 | 73 | 0 | 0 |
| Replace 2020 All Terrain Vehicle (7817) | 20 | 0 | 0 | 20 | 0 | 0 |
| Replace 2019 Pickup Truck W/ Crane Body (7825) | 200 | 0 | 0 | 0 | 200 | 0 |
| Pumps, Motors & VFD's | 681 | 125 | 100 | 100 | 100 | 100 |

Utilities Fund

FY 2026 – 2030 Proforma

(All figures in thousands of dollars)

| Capital Outlay | TOTAL COST | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
|---|------------|---------|---------|---------|---------|---------|
| Water Distribution (1626): | | | | | | |
| Replace 2011 1 Ton, Crew Cab Pickup 4x4 Utility Bed (6883) | 90 | 90 | 0 | 0 | 0 | 0 |
| Replace 2013 3/4 Ton regular Cab, 4x4 Utility Bed (6913) | 70 | 70 | 0 | 0 | 0 | 0 |
| Replace 2015 Mini Excavator Track (6951) | 55 | 0 | 55 | 0 | 0 | 0 |
| Replace 2014 14ft Dual Axle Dump Trailer W/ Back Doors (6948) | 12 | 0 | 12 | 0 | 0 | 0 |
| Replace 2006 1 Ton, Crew Cab Pickup 4x4 Utility Bed Diesel (5518) | 90 | 0 | 90 | 0 | 0 | 0 |
| Replace 2016 3/4 Ton Van (6985) | 52 | 0 | 52 | 0 | 0 | 0 |
| Replace 2014 3/4 Ton Regular Cab, 4x4 Pickup Truck (6925) | 50 | 0 | 0 | 50 | 0 | 0 |
| Replace 2014 3/4 Ton, Regular Cab Utility Bed, 4x4 (6931) | 70 | 0 | 0 | 70 | 0 | 0 |
| Replace 2017 Mini Excavator W/ Tracks & Claw Finger (6996) | 55 | 0 | 0 | 55 | 0 | 0 |
| Wastewater Collection (1622): | | | | | | |
| Replace 2017 Enclosed Cargo Trailer (6988) | 250 | 250 | 0 | 0 | 0 | 0 |
| Replace 2008 3/4 ton Diesel utility body Pickup Truck (6824) | 95 | 0 | 95 | 0 | 0 | 0 |
| Replace 150 KW 2-Axle Generator (4427) | 100 | 0 | 100 | 0 | 0 | 0 |
| Replace 2013 Low Profile Dump Trailer (6909) | 12 | 0 | 12 | 0 | 0 | 0 |
| Replace 2000 Suction Pump on Trailer (6845) | 130 | 0 | 0 | 130 | 0 | 0 |
| Replace 2018 Pickup with Crane (7795) | 150 | 0 | 0 | 150 | 0 | 0 |
| Replace 2024 Peterbilt Chassis/Aquatech Body (7905) | 800 | 0 | 0 | 0 | 800 | 0 |
| Replace 2017 1/2 Ton Pickup Truck Super Cab (6991) | 45 | 0 | 0 | 0 | 0 | 45 |
| Replace 2019 1 1/2 ton Service truck W/ Crane (7820) | 250 | 0 | 0 | 0 | 0 | 250 |
| Wastewater Treatment Plant (1625): | | | | | | |
| Pumps, Motors, Mixers, Blowers, Effluent Pumps | 550 | 150 | 100 | 100 | 100 | 100 |
| Unspecified Equipment Needs | 205 | 0 | 0 | 0 | 0 | 205 |
| TOTAL | | 928 | 1,027 | 783 | 1,200 | 700 |

Utilities Fund

FY 2026 – 2030 Proforma

Expense Assumptions – Capital Outlay:

- Five year plan on previous slides
- WTP – Asset 5516 tractor scheduled for replacement in FY 2025 was moved to a later year, as request from last year should have been a request for a second tractor sludge tractor. Notes were in the request of the replacement request in the prior year.
- WWC – Asset 6988 trailer. Original trailer had televising equipment that was moved from another vehicle. The trailer and the televising equipment have reached end of life and all needs to be replaced

Utilities Fund

FY 2026 – 2030 Proforma

Expense Assumptions - Other:

- Continued use of current revenue and operating reserves to fund 5 year CIP
- Estimated Debt Service on Wastewater Treatment Plant improvement – State Revolving Funds (SRF)
- Estimated Debt Service for Water Treatment Plant Filtration project – SRF financing
- Estimated Debt Service for RO expansion – SRF financing
- Estimated Debt Service for AMI equipment – Bank financing
- Estimated Debt Service for Septic to Sewer – Bank financing
- Assumes increase required for SRF loan reserves for WWTP. Additional funds will also be needed for RO and Filtration

Utilities Fund

FY 2025 – 2029 Proforma

Reserve Assumptions:

- Maintain minimum \$3.1 million op. reserve
 - May need to be increased to keep up with increased operating costs
 - Rate study to begin to include new significant projects added
- Maintain \$1.5 million R&R capital reserve (previously established for bonded debt covenant)

Utilities Fund Considerations

- Volatility of water and wastewater revenues – rainfall, drought conditions, watering restrictions, economic conditions, etc.
- Uncertainty of economic forecasts and continued increases in some commodities such as chemicals
- Consultant to explore alternative financing for all projected financed projects (i.e. SRF, bonds, or bank financing)
- Legislative change regarding surcharge for unincorporated county customers; to be addressed by legal and consultant would incorporate into presentation
- Continue to pursue grant opportunities

Utilities Fund Considerations

- Change to AMI system
- Assumptions of financing Septic to Sewer projects dependent on estimated grant revenues of 25%, 20 year assessments on all lots in each area, new billing revenues for occupied lots, use of wastewater impact fees, and debt service ratios that may be required by financing entity
- Continue to pursue opportunities with Charlotte County to add these areas to their master plan for possible road and drainage funding to be contributed to project
- Timing of Septic to Sewer projects and cost estimate increases that should be expected as the data has not been updated in several years

Utilities Fund

Considerations – Personnel Requests

- Interim City Manager currently reviewing for recommendations to include in the five year proforma

- Water Distribution – Maintenance Workers (2 FTE) \$ 152,830
 - More proactive maintenance
 - Reduce overtime for repairs
 - Annual costs approximately \$73,415, one-time costs \$3,000 for phone and equipment



Utilities Fund

Considerations – Personnel Requests

- Administration – Engineering Technician (1 FTE) \$ 84,350
 - Annual costs approximately \$81,350, one-time costs \$3,000 for computer, desk

- Administration – Project Manager (1 FTE) \$ 98,810
 - Annual costs approximately \$95,810, one-time costs \$3,000 for computer, desk

- Administration – Grants Coordinator (1 FTE) \$ 90,620
 - Annual costs approximately \$90,620, one-time costs \$3,000 for computer, desk



Utilities Fund

Discussion

