

FY 2026 Budget Status Update

Utilities Construction and OM&R Funds

City Council Meeting
July 09, 2025



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 AML 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 FY 2029 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 one-time
 - 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 2026 – 2030 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
 - Provide critical technical support
 - Alleviate workload pressure of current engineering and operations staff
 - Improve operational efficiency and service delivery
 - Estimated cost for vehicle in FY 2027 \$33,000
 - Annual costs approximately \$81,350, one-time costs \$3,000 for computer, desk



Utilities Fund

Considerations – Personnel Requests

- Administration – Project Manager (1 FTE) \$ 146,810
 - Significant increase in number and complexity of capital and operational projects
 - Support planning, execution, and coordination of projects
 - Growing risk of delays, cost overruns, and missed opportunities
 - Annual costs approximately \$95,810, one-time costs \$51,000 for vehicle, computer, desk

- Administration – Grants Coordinator (1 FTE) \$ 90,620
 - Dedicated support for finding and responding to grant opportunities
 - Manage grant and maintain compliance through completion of project
 - Annual costs approximately \$90,620, one-time costs \$3,000 for computer, desk



Utilities Fund

Utilities Advisory Board

Recommendations

- Recommends adding the requested positions except for pushing out the grants coordinator and leveraging consultants
- Recommends the proposed budgets as requested
- Recommends providing customer communication through insert in TRIM notices (if allowed) and/or customer bills regarding the City's utility needs
- AWWA article provided by George Ruchti added to agenda packet regarding true value of City provided water services



Utilities Operations Fund

Proforma FY 2026 – 2030 after recommendations

	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	\$ 21,212,045	\$ 21,682,310	\$ 22,991,760	\$ 22,968,365	\$ 24,009,495
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	\$ 32,566,640	\$ 33,302,130	\$ 35,831,040	\$ 41,477,745	\$ 38,962,875
Beg. Operating Reserve	\$ 8,882,542	\$ 4,101,137	\$ 2,875,597	\$ 3,377,242	\$ 2,455,602
End. Operating Reserve	\$ 4,101,137	\$ 2,875,597	\$ 3,377,242	\$ 2,455,602	\$ 6,121,442
R&R Capital Reserve	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000

Utilities Fund

Discussion

