

2025 Supplemental Budget: Water and Storm Drainage Revenues

January 14, 2025



Agenda

- **Context for Revenue Updates**
- **Water Fund**
 - **Adopted**
 - **Supplemental Update**
- **Storm Drainage Fund**
 - **Adopted**
 - **Supplemental Update**



2025 Revenue Updates: Timeline

- November 2023 – Rate Study initiated by Town staff with consultants, one year early
- Aug. 20 – Initial Tap Fee Discussion (Study Session)
- Sept. 17 – Initial Water Rate Discussion (Study Session)
- Sept. 24 –Ordinance to Amend Fee-in-Lieu of Water Dedication & Water Tap Fee
- Oct. 22 – Council Considers Tap Fee Increases (Regular Meeting)
- Oct. 22 – Council Considers Water Rate Increases (Regular Meeting)
- Nov. 12 - Council Considers Town Budget and Fee Schedule
- Dec. 3 – Roundtable with Community Stakeholders
- Dec. 10 - Council meeting to approve fees



Water Fund Summary – Adopted

<u>Water</u>	<u>2025 Forecast</u>	<u>2026 Forecast</u>	<u>2027 Forecast</u>	<u>2028 Forecast</u>	<u>2029 Forecast</u>
Beginning FB	\$ 89,251,310	\$ 48,993,953	\$ (156,652,854)	\$ (210,949,460)	\$ (227,041,954)
Revenues	\$ 31,285,800	\$ 32,224,374	\$ 33,191,105	\$ 34,186,838	\$ 35,212,444
Expenditures	\$ 71,543,157	\$ 237,871,181	\$ 87,487,711	\$ 50,279,333	\$ 61,105,982
Personnel	\$ 2,644,169	\$ 2,776,377	\$ 2,915,196	\$ 3,060,956	\$ 3,214,004
Operating	\$ 8,506,037	\$ 8,761,218	\$ 9,024,055	\$ 9,294,777	\$ 9,573,620
Capital and Debt	\$ 60,392,950	\$ 226,333,585	\$ 75,548,460	\$ 37,923,600	\$ 48,318,358
Ending FB	\$ 48,993,953	\$ (156,652,854)	\$ (210,949,460)	\$ (227,041,954)	\$ (252,935,492)

- Utility Rates and Fees adopted at 2024 rates pending the roundtable discussion on December 3rd
- Without rate study recommendations adopted, the Water Fund would see a deficit in 2026



Storm Drainage Fund Summary – Adopted

Storm Drainage Operating	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast
Beginning FB	\$ (1,750,773)	\$ (6,874,273)	\$ (14,910,553)	\$ (31,517,277)	\$ (37,946,968)
Revenues	\$ 1,959,809	\$ 2,018,603	\$ 2,079,161	\$ 2,141,536	\$ 2,205,782
Expenditures	\$ 7,083,308	\$ 10,054,884	\$ 18,685,885	\$ 8,571,228	\$ 4,681,700
Personnel	\$ 814,604	\$ 855,334	\$ 898,101	\$ 943,006	\$ 990,156
Operating	\$ 1,632,670	\$ 1,681,650	\$ 1,732,099	\$ 1,784,062	\$ 1,837,584
Capital	\$ 4,636,035	\$ 7,517,900	\$ 16,055,685	\$ 5,844,160	\$ 1,853,960
Ending FB	\$ (6,874,273)	\$ (14,910,553)	\$ (31,517,277)	\$ (37,946,968)	\$ (40,422,886)

- Utility Rates and Fees adopted at 2024 rates pending the roundtable discussion on December 3rd
- Without rate study recommendations adopted, the Storm Drainage would see a deficit in the current year (2025)



Water Fund Summary – Recommended Supplemental

<u>Water</u>	<u>2025 Forecast</u>	<u>2026 Forecast</u>	<u>2027 Forecast</u>	<u>2028 Forecast</u>	<u>2029 Forecast</u>
Beginning FB	\$ 89,251,310	\$ 57,257,464	\$ (31,477,763)	\$ (77,642,732)	\$ (64,309,634)
Revenues	\$ 39,549,310	\$ 149,135,954	\$ 41,322,743	\$ 63,612,430	\$ 56,256,609
Expenditures	\$ 71,543,156	\$ 237,871,181	\$ 87,487,711	\$ 50,279,333	\$ 61,105,982
Personnel	\$ 2,644,169	\$ 2,776,377	\$ 2,915,196	\$ 3,060,956	\$ 3,214,004
Operating	\$ 8,506,037	\$ 8,761,218	\$ 9,024,055	\$ 9,294,777	\$ 9,573,620
Capital and Debt	\$ 60,392,950	\$ 226,333,585	\$ 75,548,460	\$ 37,923,600	\$ 48,318,358
Ending FB	\$ 57,257,464	\$ (31,477,763)	\$ (77,642,732)	\$ (64,309,634)	\$ (69,159,007)

- Utility Rates and Fees adopted December 10th
- Anticipated bond proceeds (approx. \$76M) for the Water Treatment Plan project are not included but will be brought in a later supplemental once we are closer to issuance.
- Additional deficit in 2027 due to project changes post-rate study and will be addressed in future forecasting and rate study
- Includes all projects as adopted in 2025 and projected future projects
- Grant funding for the Water Treatment Facility and other projects likely



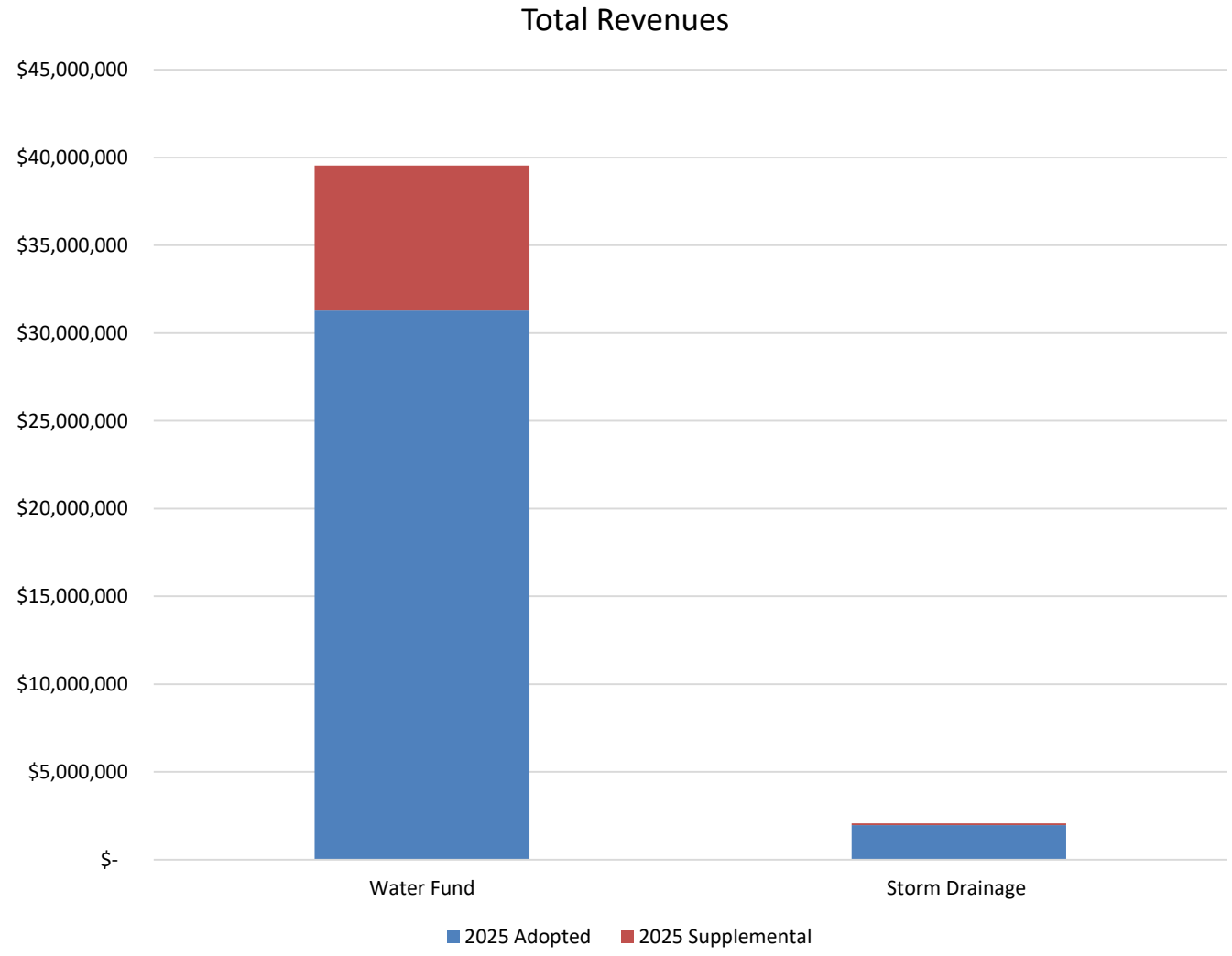
Storm Drainage Fund Summary – As Recommended

<u>Storm Drainage Operating</u>	<u>2025 Forecast</u>	<u>2026 Forecast</u>	<u>2027 Forecast</u>	<u>2028 Forecast</u>	<u>2029 Forecast</u>
Beginning FB	\$ (1,750,773)	\$ 234,081	\$ 4,595,890	\$ (10,407,526)	\$ (11,004,507)
Revenues	\$ 9,068,163	\$ 14,416,692	\$ 3,682,469	\$ 7,974,247	\$ 8,294,365
Expenditures	\$ 7,083,308	\$ 10,054,884	\$ 18,685,885	\$ 8,571,228	\$ 4,681,700
Personnel	\$ 814,604	\$ 855,334	\$ 898,101	\$ 943,006	\$ 990,156
Operating	\$ 1,632,670	\$ 1,681,650	\$ 1,732,099	\$ 1,784,062	\$ 1,837,584
Capital	\$ 4,636,035	\$ 7,517,900	\$ 16,055,685	\$ 5,844,160	\$ 1,853,960
Ending FB	\$ 234,081	\$ 4,595,890	\$ (10,407,526)	\$ (11,004,507)	\$ (7,391,842)

- Utility Rates and Fees adopted December 10th
- Anticipated bond proceeds (approx. \$7M) are included above and will be brought in a later supplemental once we are closer to issuance.
- Deficit in 2027 will be addressed in future forecasting and rate study
- Includes all projects and debt issuance as adopted in 2025 and planned future projects
- Storm Drainage often uses grant funds and some future projects anticipate submitting for grant funding



Recommended Revenue Changes



Fund	Water Fund	Storm Drainage
2025 Adopted	31,285,800	1,959,809
2025 Supplemental	39,549,310	2,068,163
Net Change	8,263,510	108,354



Questions & Discussion