

# **FY2027 Budget - Schedule and Budget Considerations**

**Regular Item 2  
February 4, 2026**

# FY 2027 Budget Preview

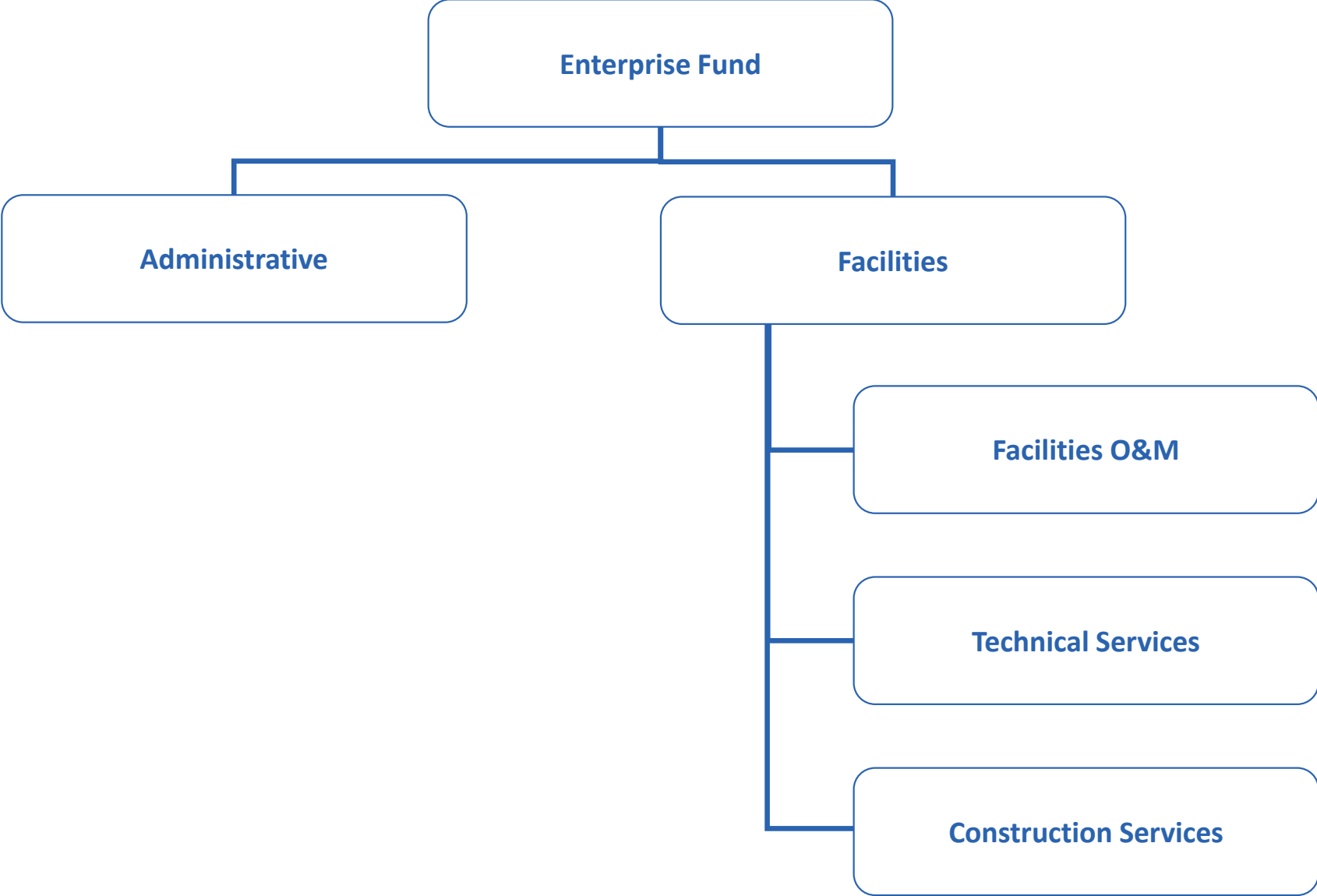
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## Budget Milestones

- Feb 4 Board Presentation – Budget Preview
- Mar 4 Prof. Staff Meeting – Draft Budget Review
- Apr 1 Board Meeting – Adopt of Tentative Budget
- May 6 Prof. Staff Meeting – Draft Budget Questions
- Jun 3 Board Meeting
- Jul 8 Prof. Staff Meeting – Draft Budget Questions
- Aug 5 Board Meeting – Adoption of Final Budget

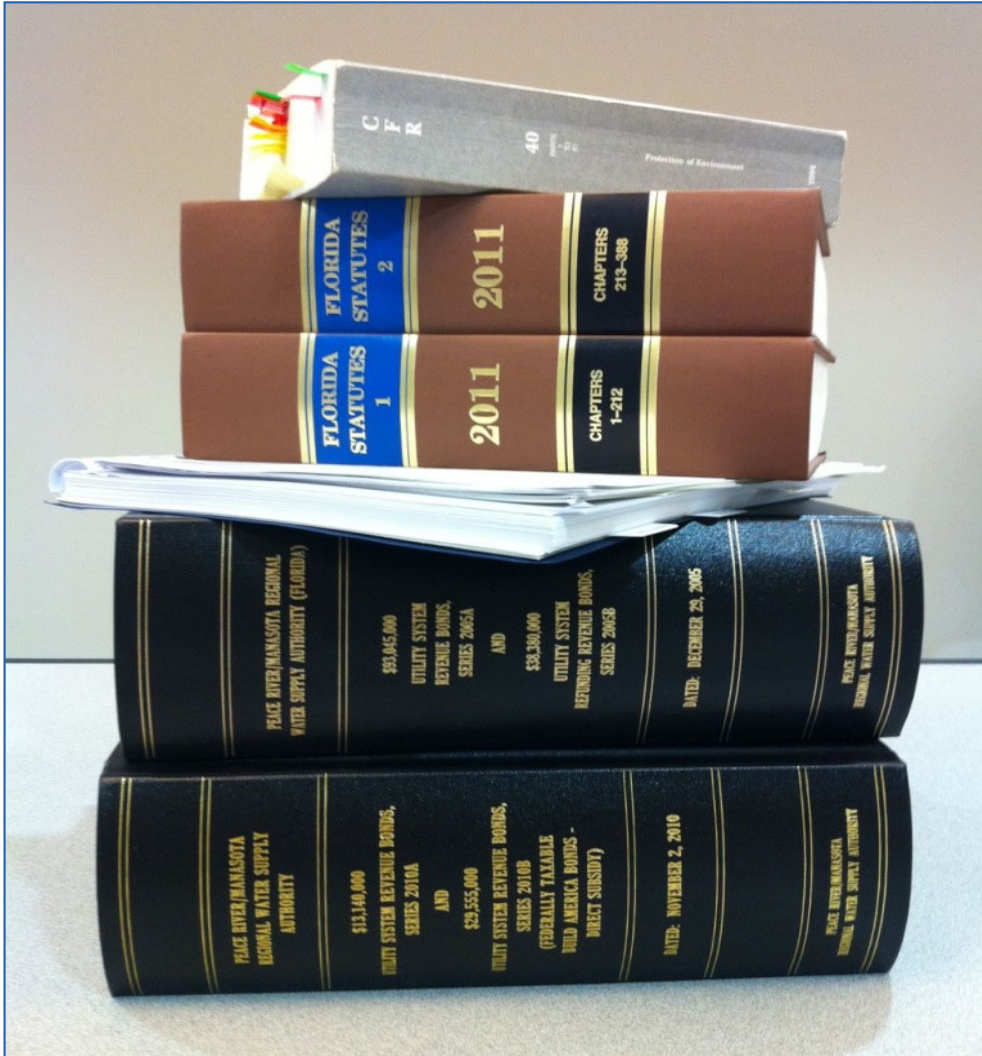
# FY 2027 Budget Preview

## Background – Agency Structure



# FY 2027 Budget Preview

## Background - Budget Documents



- Interlocal Agreement Creating the Peace River Manasota Regional Water Supply Authority (Amended 2005)
- Third Amended Peace River Manasota Regional Water Supply Authority Master Water Supply Contract (Amended 2024)
- Resolution 2005-08 'Resolution Setting Forth Rate Setting Methodology' (Oct. 2005)
- Utility System Revenue Bonds
  - Series 2020
  - Series 2024A/B
  - Series 2025 A/B/C
- Budget Policies (Aug. 2020)
- 5-Year CIP and 20-Year CNA
- Consistent with 2021 Strategic Plan

# FY 2027 Budget Preview

## Background - Budget Obligations



The Authority is contractually obligated to provide a reliable, safe and secure water supply to the region.

- MWSC water allocations (34.7 MGD)
- Water allocations increasing to (52.7 MGD)
- Efficient and cost-effective operations
- Appropriate investment to maintain infrastructure
- Plan for long term water demands
- Maintain financial stability/bond rating
- Maintain reasonable water rates

# FY 2027 Budget Preview

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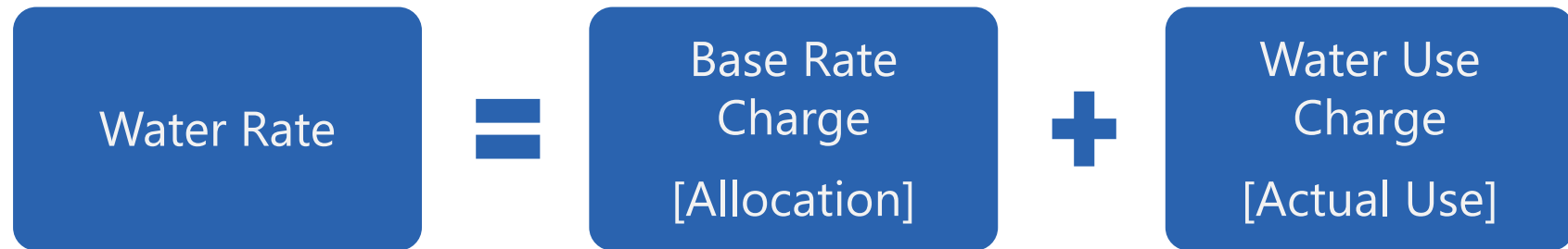
## Background - Budget/Rate Resolution

- Board Adopts Annual Budget
  - Present Tentative Budget for Board approval April 1, 2026
  - Public Hearing at Regular scheduled Board Meeting – August 5, 2026
  - Adopts Water Rates and Fees by Resolution
- Rates, Fees and Charges Adopted by Resolution
  - Water Rate (Base Rate & Use Rate)
    - Water charge to users (Charlotte, DeSoto, Sarasota and North Port)
  - Member Fee
    - Administrative fees to members (Charlotte, DeSoto, Manatee and Sarasota)
  - Planning Assessment
    - Cost for future planning (Charlotte, DeSoto, Manatee, Sarasota and North Port)
  - Interconnect Water Charge
    - Review Water Rate charged for purchases by Non-Customers

# FY 2027 Budget Preview

## Background - Water Rate

Water Rate is established by resolution of the Authority for the sale of water and comprised of two components:



### FY 2026 Budget

Debt Service Component = \$1.06 / 1,000 gal. (average of all debt)

Common Benefit Projects = \$0.04 / 1000 gal.

Fixed O&M Component = \$1.60 / 1,000 gal.

FY 2026 Total Base Rate = \$2.69 / 1,000 gal.

FY 2026 Water Use Chg. = \$1.16 / 1,000 gal.  
= \$3.85 / 1,000 gal.

# FY 2027 Budget Preview

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## Preview - Key Expenditures

- Operations & Maintenance
  - FY 2027 O&M Expenses
    - Most fixed expenses projected to increase with rate of inflation
    - Increase in Water Use rate due to increased power and chemical costs
  - Potential new FTE positions (2 positions approved in 2026 budget)
  - Evaluate Future Workforce Needs
  - Monitor Property Insurance Options
  - Contract Services for Projects and Permits
- Other Rate Related Expenditures
  - R&R Contribution \$4.5MM based on Sufficiency Study
  - Increase in DeSoto Payment [MWSC 2024]
  - FDOT Kings Hwy Widening

# FY 2027 Budget Preview

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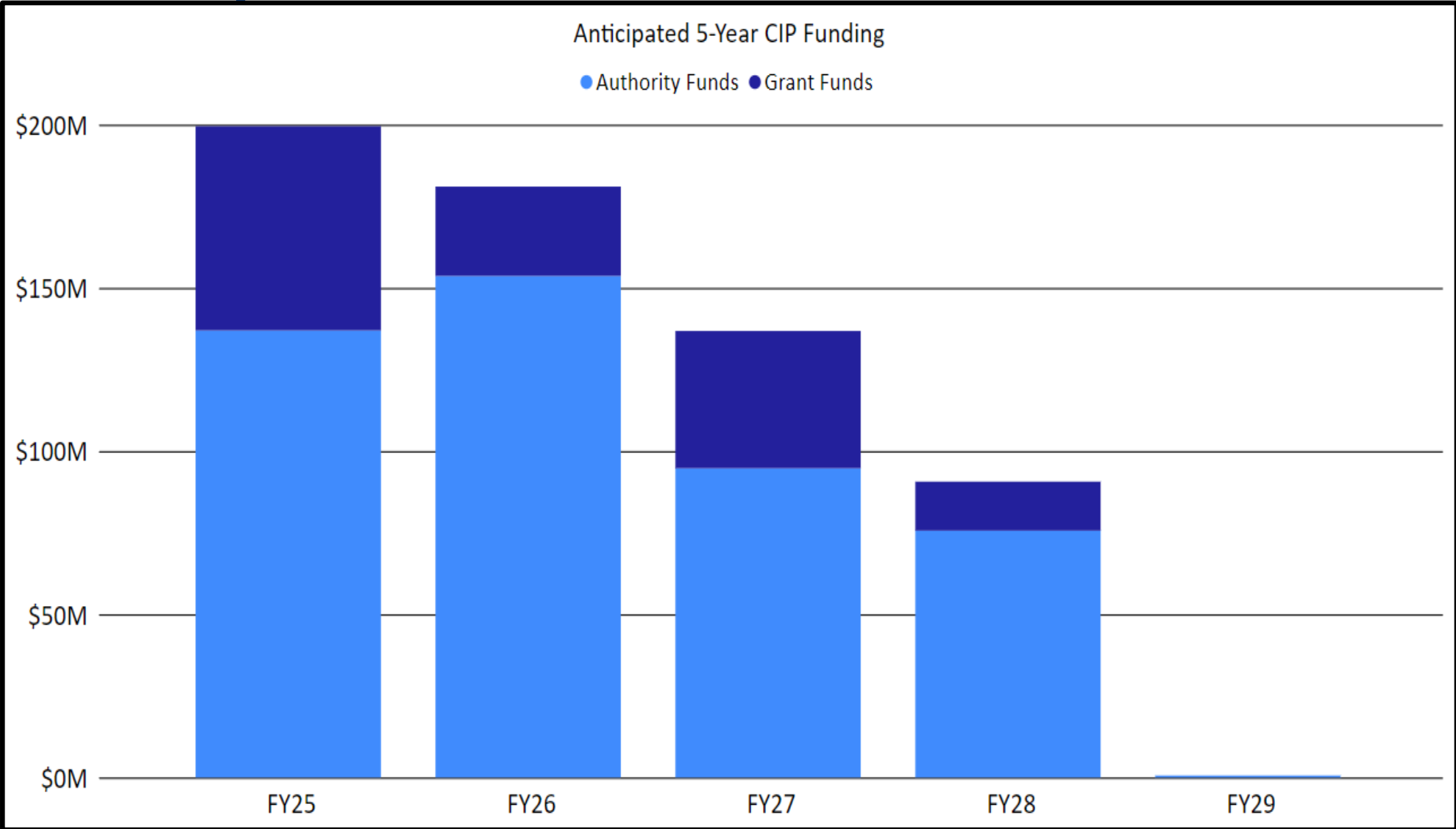
## Key Expenditures

- Non-Rate Related Expenditures
  - Member Contributions
  - Management & Planning Costs
  - Reimbursement of 2015 Bond Savings
  - CIP Projects
    - Surface Water System Expansion Project
    - Regional Loop 3C Project
    - Regional Loop 2B Project



# FY 2027 Budget Preview

## FY 2027 Expenditure Considerations



# FY 2027 Budget Preview

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## Potential Funding Sources for CIP Projects

- Grants
  - SWFWMD Grant Funds
  - State of Florida Grant Funds (AWS & Appropriations)
  - Continuing to investigate additional grant opportunities
- Borrowing
  - Municipal Bonds – 2025, 2026 & 2027 Issues
  - Continue use of \$100M LOC as needed

# Questions/Discussion