Stormwater Fee Study

Draft Report

Prepared for:
City of Hallandale Beach, FL

Date:
June 1, 2026

Prepared by:
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Project/File:
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Revision Record

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June 1, 2026

Geovanne Neste
Finance Director
City of Hallandale Beach
400 South Federal Highway
Hallandale Beach FL, 33009

Re: Stormwater Study – Draft Report

Dear Mr. Neste,

Stantec is pleased to present this Draft Report documenting the Stormwater Fee Study that was conducted for the City of Hallandale Beach, Florida. Stantec appreciates the professional assistance provided by you and all of the members of the City who participated in the study.

If you or others at the City have any questions, please do not hesitate to email me at Kyle.Stevens@stantec.com. Stantec appreciates the opportunity to be of service to the City and looks forward to the possibility of doing so again in the near future.

Kyle Stevens

Kyle Stevens

Principal
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Enclosure

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1 Introduction

Stantec Consulting Services Inc. has conducted a Stormwater Fee Study on behalf of the City of Hallandale Beach, FL's Stormwater Utility. This report presents the objectives, approach, methodologies, source data, assumptions, as well as the findings and recommendations of the Analysis.

1.1 Background

The Hallandale Beach Stormwater Utility provides a dedicated revenue source for planning, constructing, operating, and maintaining the City's stormwater management system. The City's Stormwater Services Department cleans, installs, and maintains the City's water drainage system comprised of approximately 3,000 drains and 42 miles of drainage in addition to pump stations. In compliance with Environmental Protection Agency (EPA) standards regulated by the National Pollutant Discharge Elimination System (NPDES), the stormwater division cleans and monitors storm drains with sampling and testing. Billing is administered by the city and appears as a separate line item on customers' monthly water and sewer statements. The City is currently evaluating a transition of the Stormwater Utility fee from the combined utility billing method of collection to each parcel's annual tax bill.

1.2 Study Objectives

1.2.1 Revenue Sufficiency Analysis

This analysis was conducted to evaluate the sufficiency of current stormwater fee revenue over a multi-year projection period (FY 2026 – FY 2036). Alternative multi-year financial management plans and associated fee revenue adjustments were developed through interactive work sessions with City staff which satisfied all identified requirements of the Utility, including various operating and maintenance costs, capital improvement program costs, heavy machinery purchases, existing debt service requirements, and the maintenance of adequate operating reserves.

1.2.2 Stormwater Fee Structure

The current Equivalent Residential Unit (ERU) fee structure categorizes properties into different fee classes, with corresponding stormwater fees based on the unique runoff characteristics of the customer class. Residential properties are each charged a flat fee per dwelling unit, while Non-Residential properties are charged per ERU based on their impervious factor dependent on measured impervious surface area.

The stormwater fee methodology review will take a comprehensive look at the current stormwater fee structure, ERU calculation, industry best practices, and local precedent. This analysis will support recommendations to the City on modifications that will serve to enhance the proportionality of the fee and ensure its durability as the City continues to grow over time.

1.2.3 Stormwater Fee Collection Method

The City currently collects stormwater fees through the monthly utility bill alongside water and wastewater service charges. As part of this study, the City is evaluating whether to transition stormwater fee collection from the utility billing system to the annual property tax bill as a non-ad valorem assessment applied on a parcel basis. This report evaluates the operational, financial, administrative, and policy tradeoffs associated with such a transition and provides recommendations regarding the feasibility and potential benefits of implementing the alternative collection methodology.

2 Revenue Sufficiency Analysis

To begin the revenue sufficiency analysis, Stantec incorporated both historical and projected financial information associated with the Stormwater Utility provided by and discussed with City staff. Stantec was also provided an updated seven-year capital improvement program. Stantec worked with City staff to identify other assumptions that may affect the Stormwater Utility, such as, inflation contingencies for operating costs, and capital funding alternatives.

This information was entered into Stantec's Financial Analysis and Management System (FAMS), an interactive model developed specifically for the City with a ten-year projection period. The model provides a financial outlook by identifying the projected revenue needs and determining the minimum fee increases required each year to meet the Utility's financial obligations.

2.1 Description

This section presents the financial management plan developed during the Study. The first two sub-sections present a description of the base data, assumptions, and policies reflected in the Study. The last section provides the results and conclusions of the Study, while Appendix A includes detailed schedules, supporting the financial management plan identified herein.

During the Revenue Sufficiency Analysis (RSA) Stantec reviewed several alternative multi-year financial management plans and corresponding stormwater annual fee revenue adjustment plans through interactive work sessions with City staff. During these work sessions, Stantec examined the impact of various inputs and assumptions upon key financial indicators, summarizing the results of the forecasting model under assumed conditions. In this way, local information and input from the Utility's management team was incorporated as Stantec developed the recommended financial management plan for the Utility. The result is a financial plan that considers the City's current and best assumptions and data to satisfy the Utility's revenue requirements over a multi-year period, while meeting key financial performance objectives and minimizing fee adjustments to the greatest extent possible.

To initialize the RSA, Stantec obtained the City's historical and budgeted financial information regarding the Utility's operation, as well as information pertaining to working capital balances and future cost requirements. Stantec worked with the City to incorporate the Utility's multi-year capital investment plan (CIP) into the analysis. Stantec discussed with City Staff other assumptions and policies that would affect the fiscal performance of the Utility, such as planned developments, capital funding sources, debt coverage ratios, reserve fund levels, earnings on invested funds, escalation rates for operating costs, and other factors.

This information was entered into Stantec's Financial Analysis and Management System (FAMS) interactive modeling system. FAMS produced a 10-year projection of the sufficiency of the revenue provided by stormwater fees to meet current and projected financial requirements. Based upon these projections, FAMS utilizes all projected available funds in each year of the projection period (after payment of operations and maintenance expenses, and debt service) to pay for capital projects. The model incorporates the rules of cash application as defined and applied by City Staff, and it produces a detailed summary of the funding sources to be used for each project in the CIP. To the extent that current revenues and unrestricted reserves are not adequate to fund all capital projects in any year of the projection period, the model identifies a borrowing requirement to fund those projects or portions thereof

that are determined to be eligible for borrowing. In this way, the FAMS model is used to develop a borrowing program that includes the required borrowing amount by year and the resulting debt service requirements for each year in the projection period.

2.2 Source Data

The analysis was performed using both historical and projected data. The City's Annual Comprehensive Financial Report for FY 2025 combined with additional supporting detail provided by City staff was used to establish the beginning FY 2026 fund balance of the Utility.

The FY 2026 revenue requirements are based upon the FY 2026 adopted budget and FY 2027 projected budget provided by City staff, and include all operating and maintenance expenses, debt service requirements, inter-fund transfers, and minor capital outlay requirements. Expenditure projections for each year thereafter are adjusted annually per assumed inflation and execution factors. Accompanying this is a staff prepared a seven-year capital improvement plan (CIP) for future years, which includes estimated project costs along with corresponding grant match data, when applicable.

2.2.1 Fund Balance

City Staff provided audited financial information as of September 30, 2025, which was used to establish the beginning FY 2026 (October 1, 2025) balances for the Stormwater Utility. Funds that were reserved or encumbered for specific capital projects were excluded from the beginning fund balances. This includes approximately $6.4 Million in bond proceeds identified by the City as restricted for capital projects.

2.2.2 Revenues

Revenue sources utilized in the Study consist of stormwater user fee revenues, other operating revenues from miscellaneous service charges, and interest earnings. FY 2026 revenue sources reflect the FY 2026 adopted budget and FY 2027 proposed budget, as provided by City Staff. Each year thereafter, user fee revenues reflect prior year revenue, adjusted for stormwater fee increases if applicable, while other operating revenues reflect the FY 2026 adopted budget and FY 2027 proposed budget. Per conversations with City Staff, fee revenue was adjusted in the model to reflect updated projections not reflected in budgeted numbers. Interest earnings in FY 2026 and throughout the projection period were calculated by the model annually based on projected average fund balances and an assumed annual interest earnings rate of 3%.

2.2.3 Capital Improvement Plan

A 10-year Capital Improvement Plan (CIP) was developed during this Study through interactive work sessions with staff. The CIP outlined in the Study presents project-level detail for initiatives spanning one to seven years, along with a placeholder allocation labeled as future capital for the remaining years of the 10-year plan. Additionally, a future capital cash line was added to the CIP to model the effects of proportional cash funding on the Utility's fund sustainability.

The 10-year Capital Improvement Plan (CIP) establishes a baseline for the expected future needs of the utility totaling approximately $166.2M in current dollars, phased in a coordinated sequence of infrastructure enhancements extending through FY 2036. The plan reflects a strategic allocation of resources, with elevated investment levels occurring in FY 2028 totaling $22.3 million driven by several major construction initiatives. Projects such as the Northeast Section Drainage Infrastructure Improvements and City Retention Lakes Dredging have a significant impact on necessary funding. Other complex and phased undertakings such as the Citywide Swales Improvements and DPW Compound Stormwater Remediation and Outfall are scheduled across multiple fiscal years to include design, construction, and associated service components.

Several of the CIP projects are supported by matching grant funding. The ability to secure grant funding is one of the primary benefits of a Stormwater Utility as it reduces the funding strain on stormwater fees collected from customers and allows for the acceleration of capital investment. Grant-supported initiatives include the CDBG multi-year projects, with potential future grant funding to support projects already identified in the Utility's seven-year plan.

A detailed list of the specific projects and costs by year is included on Schedule 6 of Appendix A.

2.2.4 Existing Debt Service

This analysis uses the annual principal and interest obligations related to the City's outstanding debt attributed to the Stormwater Utility as a required annual expenditure. The current Stormwater Utility's debt includes one Stormwater Utility Revenue Bond issued in 2024.

2.2.5 Operating Expenditures

Operating expenses include personnel services costs, operations and maintenance (O&M) costs, administrative and general expenses, and minor capital outlays. All revenue requirements in FY 2026 are based on the FY 2026 adopted budget. Projections for all subsequent years reflect the FY 2026 Adopted Budget and FY 2027 proposed budget, adjusted by assumed escalation factors for each expenditure category. The forecast also includes allowances for key initiatives such as master planning, ongoing O&M activities, and asset management expenditures. City staff provided supplemental input regarding anticipated minor capital outlay needs including a City provided vehicle replacement schedule.

The Revenue Sufficiency Analysis evaluates the Utility's capacity to support these obligations through projected stormwater fee revenues. It accounts for both discretionary and non-discretionary spending across core categories such as personnel, O&M, and administrative functions.

Projected operating expenditures and cash outflows (including the cash funding of capital) are presented on Schedule 4 of Appendix A.

2.3 Assumptions

The following presents the key assumptions utilized in the RSA.

2.3.1 Cost Escalation

Annual cost escalation factors for the various types of operating expenses were discussed with City Staff and applied in each year of the projection period, beginning in FY 2027. The specific escalation factors assumed for each category of expenses can be found on Schedule 5 of Appendix A.

2.3.2 Interest Earnings on Invested Funds

The Study reflects future assumed consistent interest earnings rates on invested funds of 3.00%. Projected interest earnings are included on Schedule 1 of Appendix A.

2.3.3 Minimum Reserve Policy

Reserves are funds set aside for a specific cash flow requirement, financial need, project, task, or unforeseen system requirements. These balances are maintained to meet short-term cash flow requirements and minimize the risk associated with meeting the financial obligations and continued operational and capital needs under adverse conditions. The level of reserves maintained is an important component and consideration in developing a multi-year financial management plan.

Many utilities, rating agencies, and the investment community place a significant emphasis on having sufficient reserves available for potentially adverse economic conditions. The rationale related to the maintenance of adequate reserves is twofold. First, it helps to maintain adequate funds will be available to meet financial obligations during unusual periods (i.e. when revenues are unusually low and/or expenditures are unusually high). Second, it provides funds that can be used for emergency repairs or replacements to the system that can occur because of natural disasters or unanticipated system failures.

The City is currently in the process of revising its reserve policies, and the updated stormwater reserve policy is expected to include operating, renewal and replacement, and capital reserve components. As a placeholder, the financial management plan presented in this report assumes that the City will maintain a minimum revenue fund balance or unrestricted cash reserve balance equal to 16 months of annual O&M expenses. This target was established in coordination with City staff. In the absence of a formal reserve policy, this level was determined to be appropriate to support the capital-intensive nature of Stormwater Utility operations.

2.3.4 Future Borrowing & Capital Funding

As the 10-year CIP for the Utility was developed in this Study, sources of funding for individual projects were identified. Approximately $1 million in future-day dollars in capital funding was determined to be provided through grant funding. Additionally, $5.3 million will come from cash funding and the remaining funding of $189 million will come from future debt issuances.

A complete schedule of assumed CIP funding can be found on Schedule 9 of Appendix A.

2.3.5 Debt Service Coverage

In the Study, all-in debt service coverage remains at or near the minimum threshold of 1.25 through FY 2034, however the outer years of the projection show declining debt service ratios. Although the Utility is projected to maintain above adequate fund balance through the projection period, the high level of capital spending, and necessary borrowing are putting strain on the debt service coverage ratio in the projection's outer years. However, the Utility may benefit from future grant opportunities, helping maintain a more sustainable Utility projection as capital spending increases.

2.4 Results

A diagnostic run of the financial model was conducted to compare current stormwater revenue generation levels with the Utility's projected future expenditures, serving as a tool to assess long-term fiscal sustainability. The results are show in Figure 2-1, which displays the ending fund balance in each year. Should the utility forgo fee adjustment, the utility would be insolvent by FY 2032 as reserves are depleted. Additional access to capital markets would be curtailed by FY 2027 as revenues would be unable to support new debt issuance. This is contrasted against Figure 2-2, which shows the required adjustment of fees by a minimum of 10% in FY 27 and 12% in FY 28 and each year thereafter. Under the required fee adjustment plan fund balance remains positive throughout the projection period. Additionally, Figure 2-3 highlights the recommended rate plan coupled with an adjustment for cash funded capital at 12% of the total CIP, allowing the utility to start spending down increasing fund balance while improving debt service coverage ratios. These findings underscore the importance of implementing the recommended rate plan strategy to support the long-term financial sustainability of the Stormwater Utility. As such Stantec recommends the continuation of stormwater fee adjustments as presented in Table 2-3 to maintain the long-term fiscal sustainability of the Utility.

Figure 2-1 Operating Fund with No Fee Adjustments

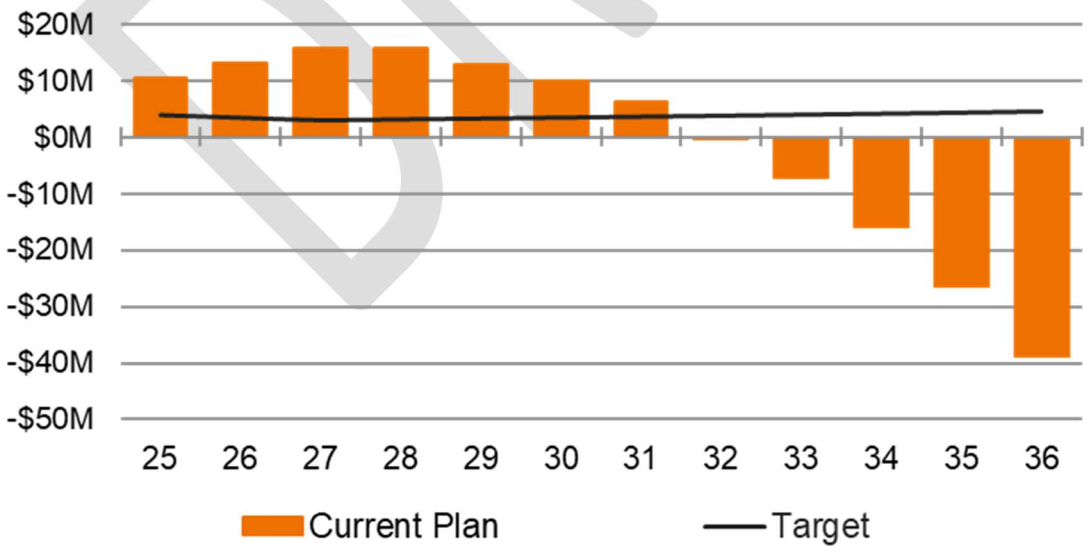


Table 2-1 Stormwater Fee Adjustment Plan

Fiscal Year	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Fee Adjustment	0.00%	0.00%	0.00%	0.00%	0.00%
Debt Service Coverage Ratio	3.06	1.46	0.89	0.66	0.58

Figure 2-2 Operating Fund with Required Fee Adjustments

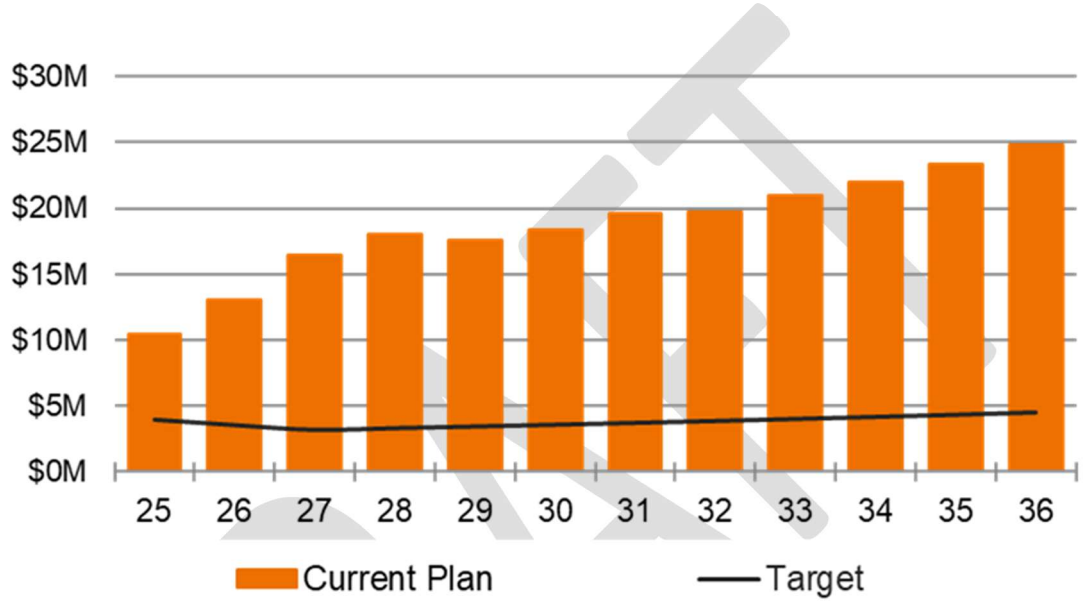


Table 2-2 Required Stormwater Fee Adjustment Plan

Fiscal Year	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Fee Adjustment	10.00%	12.00%	12.00%	12.00%	12.00%
Debt Service Coverage Ratio	3.51	1.96	1.41	1.25	1.31

Under the required fee adjustment plan, the Stormwater Utility begins to generate and accumulate operating reserves in the later years of the financial planning period, strengthening its overall financial position and long-term sustainability. While maintaining adequate reserve levels is important for managing operational risk and responding to unforeseen events, the analysis also evaluated opportunities to optimize the balance between current ratepayer contributions and future borrowing needs.

To achieve this objective, the financial plan incorporates a cash-funded capital contribution equal to 12% of annual capital expenditures. This approach allows the Utility to fund a portion of its capital improvement program on a pay-as-you-go basis, reducing reliance on debt financing while maintaining affordability for customers. Increasing the level of cash-funded capital improves the alignment between annual cash inflows and outflows over the forecast period, resulting in a more balanced and resilient financial plan.

In addition, the enhanced cash contribution significantly strengthens debt service coverage ratios, improving the Utility's financial flexibility and creditworthiness. By funding a greater share of capital investments with current revenues, the Utility preserves borrowing capacity for large-scale, generational infrastructure projects that provide long-term benefits to the community and may be most appropriately financed over multiple decades.

Successful implementation of the optimized funding strategy will require Public Works staff to identify and prioritize capital projects that are well-suited for cash funding. In general, smaller-scale projects, neighborhood drainage improvements, localized system enhancements, asset replacement programs, and projects with shorter useful lives are strong candidates for pay-as-you-go financing. Conversely, large capital projects that provide benefits over multiple generations are often more appropriately financed through debt, allowing costs to be distributed across both current and future beneficiaries. Establishing a clear framework for matching project funding sources with project characteristics will help maximize the effectiveness of the recommended financial strategy.

The resulting required fee adjustment plan and optimized capital funding strategy are presented in Figure 2-3 and Table 2-3.

Figure 2-3 Operating Fund with Fee Adjustments and Increased Cash Funded Capital

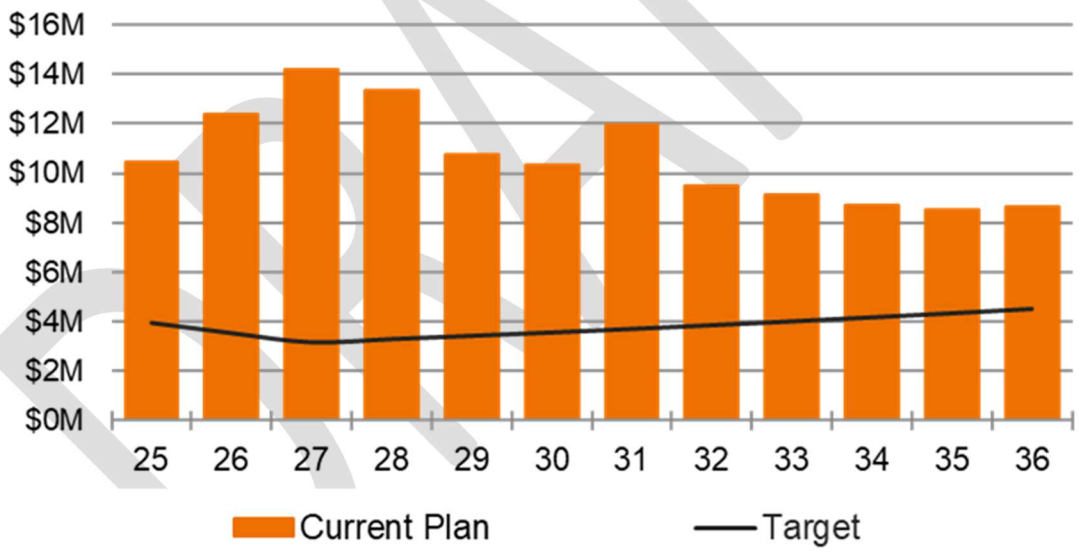


Table 2-3 Required Stormwater Fee Adjustment Plan And Increased Cash Funded Capital

Fiscal Year	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Fee Adjustment	10.00%	12.00%	12.00%	12.00%	12.00%
Debt Service Coverage Ratio	3.81	2.15	1.54	1.37	1.44

3 Stormwater Fee Structure

3.1 Description

In addition to the revenue sufficiency analysis, Stantec reviewed the City's existing stormwater fee structure and supporting parcel and billing data in order to evaluate potential modifications to the methodology and develop recommendations for future implementation. A stormwater fee structure serves as the mechanism by which the revenue requirements of the utility are translated into charges assessed to properties throughout the City. An effective fee structure should recover the utility's revenue needs in a manner that is transparent, administratively practical, and proportionate to each property's contribution to stormwater runoff and demand on the system.

Consistent with industry best practices and applicable legal standards, the primary basis for measuring stormwater system use is impervious area. Impervious surfaces, including rooftops, pavement, and other hard surfaces, prevent infiltration and increase both the volume and rate of stormwater runoff entering the public drainage system. As a result, impervious area is widely recognized as the "gold standard" for stormwater fee apportionment because it directly reflects the runoff generation potential associated with a parcel and the corresponding burden placed on the stormwater management system.

The City's current stormwater fee structure appropriately incorporates impervious area as a key component of the rate methodology. Stantec's review therefore focused on evaluating opportunities to refine and strengthen the existing framework through updates to parcel data, billing classifications, operational procedures, and fee structure design elements. The review included consideration of the accuracy and consistency of impervious area data, the allocation of billing units among customer classes, administrative efficiency, customer transparency, and the long-term adaptability of the structure as development patterns and system needs evolve.

The recommended modifications are intended to improve proportionality, enhance administrative defensibility, and better align the fee structure with current parcel characteristics and stormwater system demands. In addition, the recommendations are intended to support a stable and sustainable revenue framework capable of funding ongoing operations, maintenance activities, regulatory compliance obligations, and future capital improvement needs. Based on the study schedule and implementation considerations, the recommended stormwater fee structure modifications are intended for implementation beginning in FY 2027.

3.2 Current Fee Observations

The City's current stormwater fee structure is summarized in Tables 3-1 and 3-2. The existing methodology includes two primary customer classifications: residential and non-residential. Residential properties, including both single-family and multifamily dwelling units, are currently billed using a uniform flat monthly fee assessed on a per dwelling unit basis. Non-residential properties are billed based on Equivalent Residential Units (ERUs), which are derived from an estimate of the parcel's net effective impervious area.

Under the current methodology, non-residential impervious area is not measured directly for each parcel. Instead, the City estimates impervious area by applying an impervious factor to the gross parcel area based on the parcel's land use classification. These impervious factors, shown in Table 3-2, are intended to approximate the typical percentage of a parcel that is covered by impervious surfaces such as buildings, parking lots, drive aisles, and other hard surfaces that generate stormwater runoff. The resulting calculation produces an estimate of the parcel's effective impervious area, which is then converted into ERUs for billing purposes.

This approach historically provided a practical and administratively efficient means of estimating runoff potential in the absence of detailed parcel-level impervious area data. By utilizing land use-specific impervious factors, the City established a methodology intended to approximate relative stormwater system demand among non-residential customer classes while maintaining simplicity in billing administration.

Table 3-1 Current Stormwater Fee Structure

Class	Current Fee Application	Current Monthly Fee
Residential	Per Dwelling Unit	$10.79
Non-Residential	Per ERU	Varies

Table 3-2 Current Non-Residential Impervious Factors for Fee Structure

Non-Residential	Impervious Factor
Commercial (B-O)	0.80
Commercial	0.85
Industrial	0.85
Commercial Recreational	0.25
Public and Institutional	0.75

In addition to the structural elements summarized above, the Equivalent Residential Unit (ERU) represents a foundational component of the City's stormwater fee framework because it establishes the common unit of measurement that links residential and non-residential charges into a unified rate structure. The ERU serves as the benchmark representing the typical stormwater runoff characteristics of a residential property and is used to scale fees proportionately across all customer classes.

The City's current ERU is established at 958 square feet of impervious area. Importantly, this ERU value reflects the historical development of the City's Stormwater Utility in the early 1990s, when many stormwater utilities utilized an Average Residential Unit (ARU) methodology rather than a statistically derived ERU based solely on representative single-family residential impervious area. Under an ARU methodology, the average is calculated using the combined characteristics of both single-family and multifamily residential development patterns.

This distinction is particularly important in the context of the City of Hallandale Beach because multifamily residential development constitutes a significant portion of the City's housing inventory and urban form.

As a result, multifamily parcels heavily influence the average impervious area calculation underlying the current ERU value. Because multifamily development typically contains smaller per-unit impervious footprints than traditional detached single-family residential properties, the inclusion of a substantial number of multifamily units in the averaging process tends to reduce the resulting ERU size.

While this approach was common during the early formation of stormwater utilities and reflected the data limitations of the time, modern Stormwater Utility practices increasingly rely on more refined parcel-level impervious area analysis and ERU methodologies that are based specifically on representative single-family residential impervious area distributions. As discussed in subsequent sections of this report, Stantec evaluated the City's existing ERU methodology and associated billing structure to determine whether modifications could improve proportionality, transparency, and long-term defensibility of the stormwater fee structure.

3.3 Previous Studies and Data Availability

Prior to initiation of this stormwater fee study, the City commissioned a separate analysis focused on evaluating parcel-level impervious area characteristics and potential modifications to the stormwater fee structure. The findings and supporting data developed through that effort provide important context and foundational inputs for this study. In particular, the previous analysis expanded the availability and quality of parcel-level impervious area information and established several conclusions that remain relevant to the development of the fee structure recommendations presented herein.

Most notably, the prior analysis utilized contemporary geospatial tools, aerial imagery, and parcel mapping techniques to develop updated estimates of impervious area throughout the City. The effort included a comprehensive measurement of impervious area for non-residential parcels as well as a representative sampling analysis for residential property types. Figure 3-1 presents an example of the impervious area mapping in black completed as part of the analysis, which included detailed parcel-by-parcel delineations of rooftops, pavement, and other impervious surfaces contributing to stormwater runoff.

Figure 3-1 Example Impervious Area Measurements

The development of parcel-specific impervious area data represents a significant advancement relative to the historical methodology currently embedded within the City's stormwater fee structure. Historically, the City relied upon generalized impervious factors by land use category to estimate runoff contribution for non-residential parcels. While this approach was reasonable given historical data limitations, advances in GIS technology and the availability of high-resolution aerial imagery now allow for substantially greater precision in estimating parcel runoff characteristics and allocating stormwater costs proportionately.

In addition to generating updated impervious area measurements, the prior analysis developed several key findings that were previously presented to the City Commission and are instructive to the recommendations developed as part of this study. Most significantly, the residential sampling analysis identified materially different impervious area characteristics among residential housing types. The analysis calculated an updated representative single-family residential ERU of approximately 3,200 square feet of impervious area per dwelling unit. In comparison, mobile homes and townhomes averaged approximately 1,952 square feet of impervious area, equivalent to roughly 0.6 ERUs, while multifamily residential units averaged approximately 813 square feet of impervious area, or approximately 0.3 ERUs.

These findings provide several important directional considerations for evaluating potential modifications to the City's stormwater fee structure.

First, the existence of a detailed non-residential impervious area dataset creates the opportunity for the City to transition from estimated impervious area calculations to direct billing based on measured impervious area. Such an approach would represent a significant improvement in proportionality and precision by superseding the generalized land use impervious factors currently utilized within the fee structure. Direct measurement methodologies are increasingly considered an industry best practice because they more accurately align stormwater fees with actual runoff generation characteristics on a parcel-by-parcel basis.

Second, the calculated single-family residential ERU of approximately 3,200 square feet is substantially larger than the City's current ERU value of 958 square feet. This disparity suggests that the current methodology may understate the relative stormwater runoff contribution associated with detached single-family residential development. The updated measurements indicate that single-family parcels generally contain significantly larger impervious footprints and therefore place greater demands on the stormwater management system than is currently reflected within the existing fee structure.

Third, the analysis demonstrated that multifamily residential units, townhomes, and mobile homes generally contain substantially lower impervious area on a per-unit basis than traditional detached single-family residential properties. This finding is consistent with urban development patterns within the City, where multifamily development typically features shared building walls, structured parking, and smaller per-unit land areas, resulting in lower runoff generation characteristics on an individual dwelling unit basis.

Collectively, these findings provide strong analytical support for evaluating modifications to the City's stormwater fee structure and identifying opportunities to improve proportionality between stormwater fees and runoff-generating characteristics. However, the prior analysis should be viewed as a foundational step in a broader modernization effort rather than a final determination of the specific fee structure changes that should be implemented. While the non-residential impervious area inventory provides a robust dataset from which to evaluate direct measurement methodologies, the residential analysis was based on representative sampling and was intended to identify trends and directional findings rather than establish definitive billing factors for all residential property types.

The residential sampling analysis clearly identified meaningful differences in impervious area characteristics among single-family, multifamily, townhome, and mobile home development. However, development of a more comprehensive residential impervious area inventory would provide additional confidence regarding the magnitude of those differences and the appropriate structure for any future residential billing modifications. As such, the findings support consideration of a phased implementation approach. The most immediate opportunity exists within the non-residential customer class, where parcel-specific impervious area measurements are already available and can support a transition from estimated impervious area factors to direct billing based on measured impervious area. With respect to residential properties, the City may wish to further expand its impervious area inventory and evaluate customer impacts, administrative considerations, and policy objectives before implementing substantial modifications to residential classifications or billing factors.

The availability of improved data does not necessarily indicate that the City's existing methodology is inappropriate. The current fee structure was developed using the best information available at the time and remains a generally accepted and defensible approach utilized by many stormwater utilities throughout the country. Rather, the enhanced impervious area dataset provides the City with an opportunity to evaluate whether additional precision and proportionality can be achieved while balancing administrative complexity, customer impacts, and broader policy objectives.

Importantly, the analysis indicates that achieving greater proportionality may result in meaningful shifts in fee responsibility among customer classes. In such circumstances, a phased implementation strategy allows the City to improve fee equity over time while managing customer impacts, conducting appropriate public outreach, and providing customers with sufficient opportunity to understand and adapt to the

revised methodology. Given that the current fee structure has evolved over many years, full alignment with measured runoff characteristics may likewise be most effectively accomplished through a deliberate, multi-year transition.

As discussed in subsequent sections of this report, Stantec incorporated these prior findings, along with updated financial, operational, legal, and policy considerations, into the development and evaluation of stormwater fee structure alternatives for the City.

3.4 FY 2027 Stormwater Fee Structure Modifications

The recommended stormwater fee structure modifications are divided into two phases within this report. The first phase addresses the recommendations proposed for implementation in FY 2027, while the second phase, presented in Section 3.5, provides guidance regarding additional long-term structural modifications recommended for future consideration and implementation. This phased approach is intentional and reflects both administrative and policy considerations associated with the City's planned transition of the Stormwater Utility billing methodology.

The rationale for this bifurcated implementation strategy is twofold.

First, beginning in FY 2027, the City is anticipated to transition stormwater fee collection from the existing monthly utility billing system to collection through the annual property tax bill as a non-ad valorem assessment. Transitions of this nature require significant coordination related to parcel data, billing records, assessment roll preparation, public communication, statutory noticing requirements, and administrative implementation procedures. During major billing and collection transitions, it is generally advisable to limit the complexity and magnitude of simultaneous fee structure modifications in order to support a smooth and successful implementation process. By maintaining a more targeted set of changes during the initial transition year, the City can reduce administrative risk, simplify customer communication efforts, and improve the overall manageability of implementation activities.

Second, several of the findings discussed in the previous section indicate substantial variances between the City's current fee structure and the impervious area measurements identified through the prior GIS-based analysis. Most notably, the sampled average impervious area associated with detached single-family residential properties was estimated at approximately 3,200 square feet, compared to the City's current ERU value of 958 square feet. This represents a difference of more than three times the current benchmark used within the existing fee structure.

While these findings are directionally important and provide strong evidence that the current structure does not fully reflect contemporary parcel runoff characteristics, modifications of this magnitude should generally be approached carefully and incrementally. Stormwater fee structures must balance technical precision with rate stability, customer understanding, administrative practicality, and policy considerations. Additionally, the residential impervious area findings were derived from a representative sample analysis rather than a comprehensive parcel-by-parcel measurement effort. Although the results are informative and provide valuable insight into existing structural inequities, the City may benefit from additional data collection and validation efforts prior to implementing broader residential restructuring measures or materially increasing the underlying ERU benchmark.

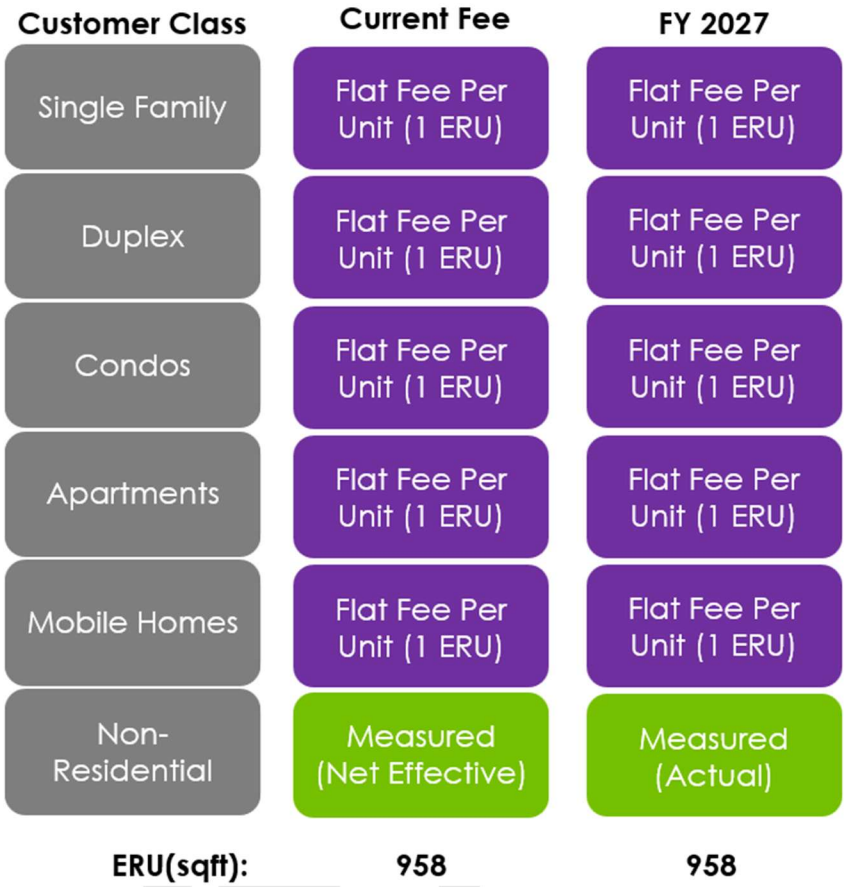
A measured implementation approach also provides the City with the opportunity to evaluate additional fee structure alternatives, assess customer impacts in greater detail, conduct further public outreach, and determine whether future methodologies such as tiered residential classifications or direct residential impervious area billing may be appropriate over the longer term.

Accordingly, for FY 2027, Stantec recommends a focused modification to the existing fee structure that replaces the current estimated net effective impervious area methodology for non-residential properties with direct billing based on measured impervious area data developed through the prior GIS analysis. This recommendation represents a significant improvement in proportionality and accuracy while limiting disruption to the broader structure during the transition to tax bill collection.

Under the recommended FY 2027 approach, non-residential stormwater fees would be based on the best available estimate of actual impervious area associated with each parcel, rather than generalized impervious factors applied to gross parcel acreage. This modification more directly aligns stormwater charges with runoff generation characteristics and the relative demands placed on the City's stormwater management system. In addition, the use of measured impervious area is consistent with contemporary Stormwater Utility best practices and enhances the technical defensibility and transparency of the fee structure.

By limiting the FY 2027 modifications primarily to the refinement of non-residential billing practices, the City can materially improve fee accuracy while maintaining a manageable and administratively efficient transition to annual tax bill collection. Future phases of fee structure refinement can then build upon this foundation in a deliberate and data-driven manner. Figure 3-2 displays the current fee structure and recommended fees for FY 2027.

Figure 3-2 FY 2027 Recommended Structure Modifications



Once the recommended FY 2027 fee structure modifications were incorporated into the analysis, the next step was to calculate the updated FY 2027 stormwater fee on a per-ERU basis. This calculation was completed through a series of sequential steps, which are summarized in Table 3-3.

First, the gross revenue requirement for the Stormwater Utility was established based on the operational and financial needs identified through the revenue sufficiency analysis. As discussed previously, the FY 2027 revenue requirement necessary to support ongoing operations, maintenance activities, capital funding needs, and system obligations was determined to be approximately $6.9 million.

Following identification of the base revenue requirement, adjustments were incorporated to account for costs and statutory reductions associated with collection of the stormwater fees on the annual property tax bill as a non-ad valorem assessment. Specifically, the analysis included an allowance for Property Appraiser and Tax Collector administrative fees estimated at approximately 2% of collections. In addition, the analysis accounted for the statutory early payment discount structure applicable to ad valorem tax bills in Florida. Under Florida law, property owners who pay their tax bills early receive discounts of up to 4%, which effectively reduces the net revenue received by the utility.

Accordingly, the gross assessment revenue requirement was adjusted upward to offset these collection-related reductions so that the Stormwater Utility ultimately receives sufficient net revenues to meet its operational and financial requirements. After incorporating these adjustments, the gross revenue requirement increased from approximately $6.9 million to approximately $7.3 million.

The adjusted gross revenue requirement was then allocated across the City's updated billing base, incorporating the recommended transition from estimated non-residential impervious area factors to measured non-residential impervious area data. Based on the revised ERU calculations and total billing units within the system, the resulting FY 2027 stormwater fee was calculated at approximately $12.13 per ERU per month.

Importantly, the recommended FY 2027 fee structure and associated rate calculation also provide for an increase in Stormwater Utility revenues relative to FY 2026 levels. Overall, the recommended rates are projected to generate approximately 10% more revenue than the FY 2026 revenue requirement, providing additional financial capacity to address increasing operational costs, inflationary pressures, ongoing maintenance obligations, and future capital improvement needs within the stormwater system.

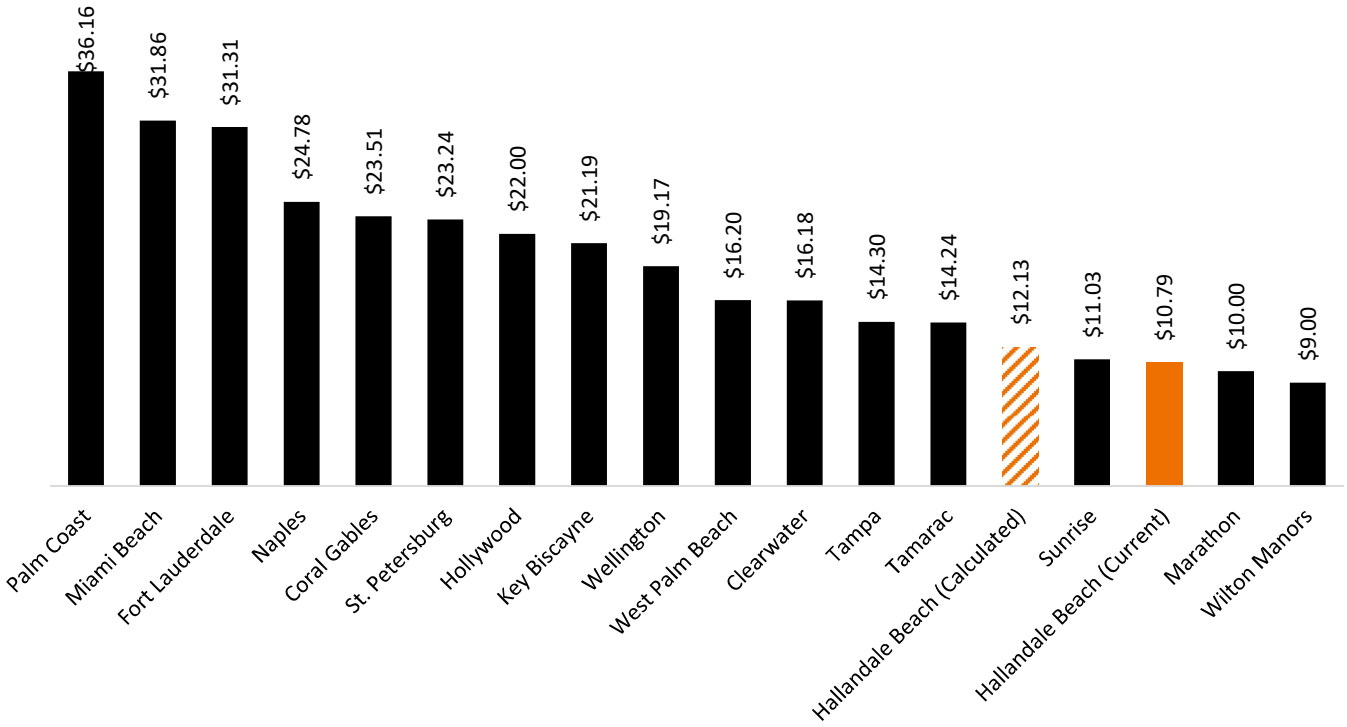
Table 3-3 FY 2027 Fee Calculation

Item	Amount
Personnel Budget FY 2027	$1,328,260
O&M Budget FY 2027	$1,037,765
Net Transfers (In – Out)	$527,947
Debt Service	$1,273,188
Cash funded Capital	$1,926,000
Contribution to Reserves/ Offsetting Revenues	$805,197
Gross Fee Revenue Requirement	**$6,898,357**
Tax Collectors Fee (2%)	$137,934
Statutory Discount (4%)	$275,934
Net Fee Revenue Requirement	**$7,312,259**
ERUs	50,237
Fee Per ERU Annual	**$145.56**
Fee Per ERU Monthly	**$12.13**

3.4.1 Stormwater Fee Comparison

Figure 3-3 below presents a benchmarking analysis of monthly stormwater fees across several Florida cities, highlighting Hallandale Beach's current rate of $10.79. The peer cities included were selected based on similarities in population size, regional proximity, utility structure, and service area characteristics. This comparison shows that Hallandale Beach's current stormwater fee falls near the lower end of the range, lower than larger cities like Hollywood and Ft. Lauderdale, but higher than cities such as Marathon and Wilton Manors for the ERU fee. The benchmarking underscores Hallandale Beach's relatively conservative rate positioning, providing context for evaluating future rate adjustments and ensuring continued competitiveness and fiscal sustainability. It should also be noted that Stantec works with many of the utilities included in this survey, and that stormwater utilities across the state are broadly experiencing continued pressure to increase fees in the near term.

Figure 3-3 FY 2025 Monthly SW ERU Fee Survey[1]



3.5 Future Stormwater Fee Structure Modifications

Following implementation of the FY 2027 stormwater fee adjustments, it is recommended that the City evaluate additional future modifications that continue to advance the Stormwater Utility toward a more data-driven and equitable rate structure. Prior stormwater studies concluded that single-family residential properties generally contain significantly greater impervious area relative to multifamily residential units, townhomes, and mobile homes. Stantec reviewed and confirmed these findings and agrees that the current fee structure could be materially improved from a proportionality and cost-of-service perspective through incorporation of updated impervious area data into the rate design.

Given the magnitude and complexity of the potential changes, it is prudent for the City to consider a phased and methodical approach toward implementation. First, because the prior study relied on sampled impervious area data rather than a complete inventory of all parcels, it is recommended that the City pursue acquisition and development of a comprehensive impervious area database. This database would include measured impervious surface information for all single-family residential parcels, multifamily properties, townhomes, and mobile home classifications within the service area.

Development of a complete impervious area inventory would serve several important purposes. Most importantly, it would establish a definitive and defensible basis for future rate adjustments and improve the proportional relationship between stormwater fees and each customer class's contribution to system

[1] Based on survey data collected in Spring 2026

demand. In addition, the enhanced dataset would provide the City with greater flexibility in evaluating alternative fee structure methodologies and implementation strategies.

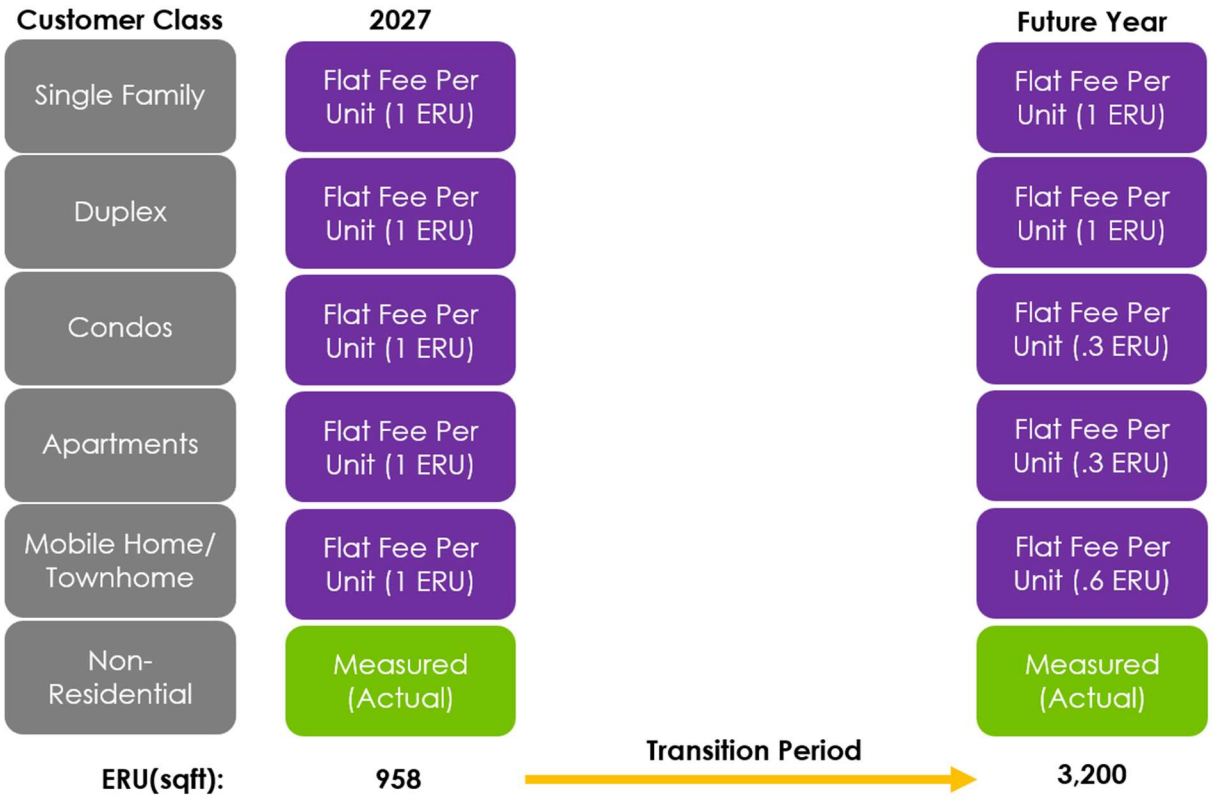
Based on the currently available data, it appears likely that the average impervious area associated with single-family residential properties substantially exceeds the existing Equivalent Residential Unit (ERU) standard currently embedded within the City's fee structure. Preliminary analysis indicates that the representative impervious area for a single-family residence may approximate 3,200 square feet, compared to the current ERU basis of approximately 958 square feet. This represents a significant variance and suggests that the current fee structure materially understates the relative stormwater impact associated with single-family residential development.

Transitioning to an updated ERU basis would represent a fundamental shift in the City's stormwater rate methodology. Under such a framework, single-family residential charges would increase to better reflect actual impervious area and associated system demand. Likewise, multifamily residential properties, townhomes, condominiums, and mobile home classifications would require recalibration to appropriately recognize their respective impervious characteristics and proportional use of the stormwater system.

Figure 3-3 illustrates the current stormwater fee structure compared to a conceptual future structure incorporating the modifications described above. However, given the magnitude of the potential customer impacts associated with these adjustments, it is recommended that any structural fee modifications be implemented gradually over a multi-year period. A phased implementation approach would improve customer affordability, provide billing predictability, and allow sufficient time for public education and stakeholder engagement.

Additionally, the City should consider coordinating future stormwater fee modifications with planned water and wastewater utility rate studies or broader utility billing initiatives. Coordinated implementation may provide opportunities to mitigate overall customer bill impacts and improve affordability through integrated utility financial planning.

Figure 3-3 Future Recommended Structure Modifications

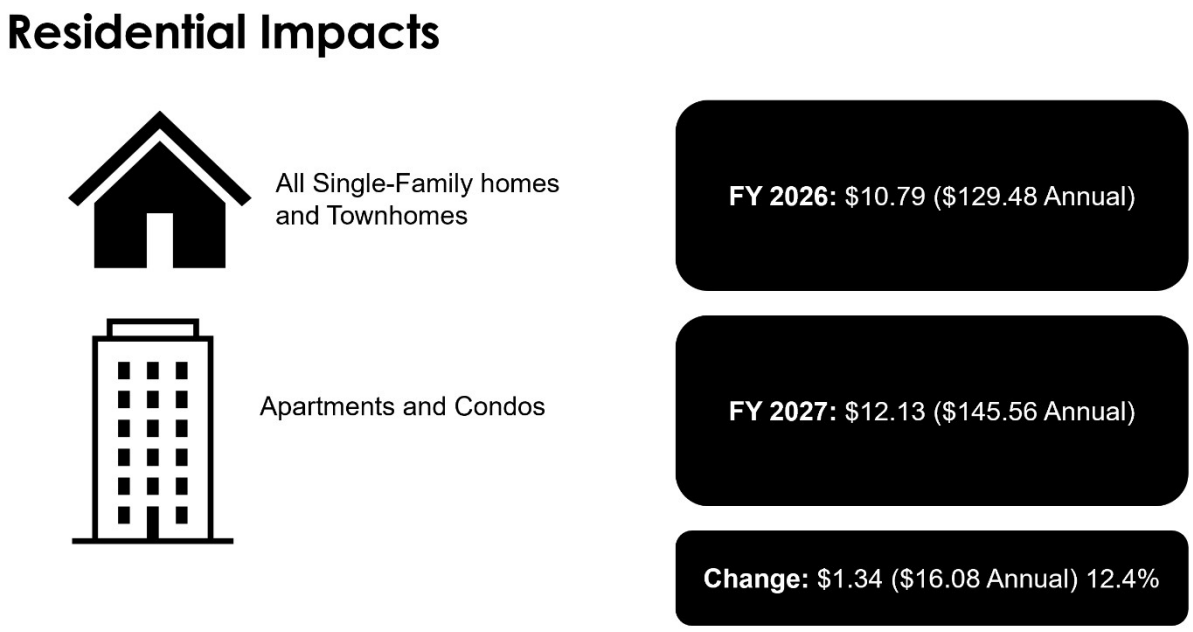


4 Expected Customer Impacts

Given the recommended transition of stormwater fee collection from the monthly utility bill to the annual property tax bill, the associated tax roll collection costs, the recommended 10% increase in stormwater fee revenues, and the proposed structural modifications to the fee methodology, customer bill impacts are expected. While the overall revenue increase will affect all customer classes, the magnitude of the impact will vary depending on the customer's existing billing characteristics and the recommended changes to the fee structure.

For residential customers, the impacts are relatively straightforward because the underlying residential fee structure is recommended to remain unchanged. Residential properties will continue to be billed on a per dwelling unit basis, resulting in a consistent and predictable impact across this customer class. As shown in Figure 4-1, the annual impact for a typical single-family residential property is estimated at approximately $16.08 per dwelling unit, representing an increase of 12.4% over current rates. Importantly, this calculation is presented before application of the statutory early-payment discount available through the property tax collection process.

Figure 4-1 FY 2027 Single Family Home Impacts



Non-residential impacts are more variable due to the recommended transition from the current billing methodology to a measured impervious area approach. This modification is intended to improve equity and proportionality within the fee structure by maintaining that each parcel is billed based on the amount of impervious surface that contributes runoff to the City's stormwater system. Under the recommended methodology, each parcel stands on its own merits, with billing units determined directly from measured impervious area rather than generalized assumptions or legacy billing assignments.

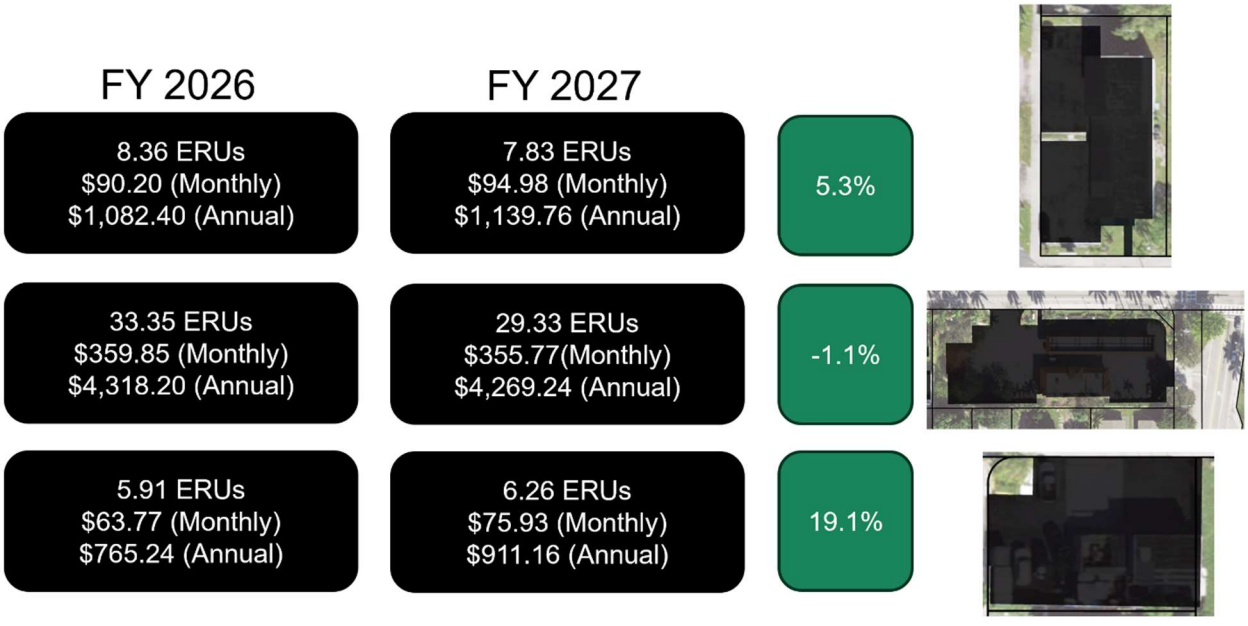
As a result, non-residential bill impacts will be influenced by two factors: (1) the overall increase in the ERU fee necessary to support utility funding requirements and (2) changes in the number of ERUs assigned to an individual parcel under the updated methodology. Figure 4-2 illustrates these impacts using three representative examples: a church, a gas station, and an industrial property.

The relationship between the currently assigned ERUs and the ERUs calculated under the measured-area approach largely determines the resulting bill impact. Parcels that are currently over-assigned ERUs relative to their measured impervious area may experience bill increases that are smaller than the overall ERU fee increase, and in some cases may even experience a bill reduction. Conversely, parcels that are currently under-assigned ERUs may experience bill increases that exceed the overall ERU fee increase as their assigned billing units are adjusted to more accurately reflect stormwater runoff generation.

These examples demonstrate how the recommended structure improves proportionality among non-residential customers by better aligning fees with stormwater service demand. Similar trends are expected throughout the broader non-residential customer base, although the specific impacts will vary by parcel.

A comprehensive bill impact analysis for all non-residential customers could not be completed as part of this study due to limitations within the current billing system and available customer account data. In particular, many utility accounts contain complex relationships between multiple parcels and a single utility billing account, making parcel-level fee comparisons difficult to perform reliably. Nevertheless, the examples presented provide a reasonable representation of the range and nature of impacts that can be expected as the City transitions to the recommended fee structure.

Figure 4-2 FY 2027 Non-residential Impacts



5 Collection Method

The City currently collects Stormwater Utility fees through the monthly utility billing system. However, utilities generally have multiple options available for the collection of stormwater fees, with the two most common approaches being collection through the monthly utility bill or through the annual property tax bill as a non-ad valorem assessment. Neither method is inherently superior; rather, each presents unique operational, administrative, financial, and customer-service tradeoffs that communities must evaluate to determine the most appropriate fit for their specific circumstances and policy objectives.

For the City of Hallandale Beach, transitioning stormwater fee collection to the non-ad valorem assessment method through the annual tax bill could provide several notable benefits. Most significantly, this collection approach would allow the City to utilize annual parcel, ownership, and billing unit updates maintained by the Broward County Property Appraiser's Office. Leveraging these updates may improve billing accuracy and reduce the administrative effort associated with maintaining customer account and parcel databases within the utility billing system.

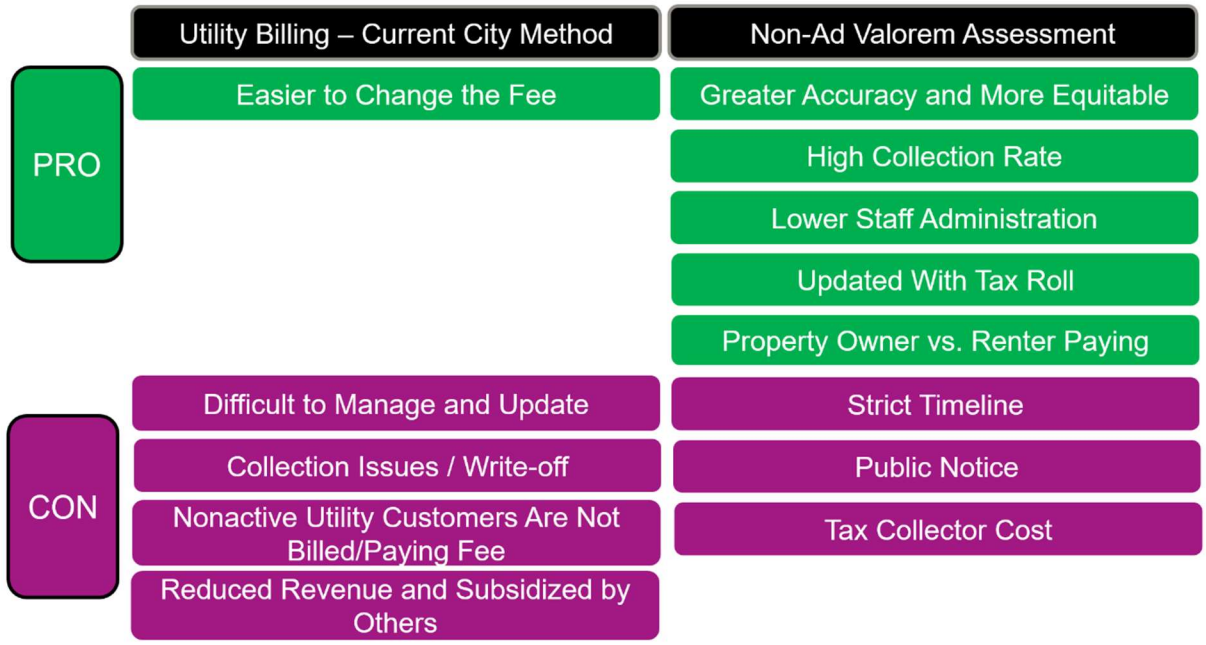
In addition, collection through the tax bill may reduce staff administration associated with billing operations, collections, delinquency management, and customer account maintenance. Non-ad valorem assessments also typically experience strong collection performance because the fees are collected in conjunction with annual property taxes. As a result, this method may provide enhanced revenue stability and improve the City's long-term financial planning capabilities for the Stormwater Utility.

However, implementation of the non-ad valorem assessment method also requires compliance with specific statutory procedures and annual implementation timelines. The City must coordinate closely with the Broward County Property Appraiser and Tax Collector to submit assessment data within the required deadlines for inclusion on the annual tax bill. Additionally, Florida law establishes public noticing and hearing requirements associated with the adoption and levy of non-ad valorem assessments. Accordingly, implementation of this collection method requires advanced planning, intergovernmental coordination, and ongoing administrative oversight.

Based on this analysis, this report recommends that the City evaluate transitioning stormwater fee collection from the monthly utility bill to the non-ad valorem assessment method beginning in FY 2027. Such a transition could improve administrative efficiency, strengthen billing accuracy, and provide a stable and effective long-term revenue collection mechanism for the City's Stormwater Utility.

Figure 5-1 provides a comparison of the primary considerations, advantages, and tradeoffs associated with utility bill collection and non-ad valorem assessment collection methods.

Figure 5-1 Future Recommended Structure Modifications



6 Conclusions & Recommendations

Based upon data and analysis presented in the prior sub-sections, Stantec has reached the following conclusions and recommendations for the City's consideration:

1. As it relates to the revenue sufficiency analysis and the ongoing fiscal sustainability of the stormwater fund, the utility will require periodic stormwater fee adjustments to maintain revenues at a level that provides for the operational and capital expenditure needs of the utility over a multi-year period. Stantec's analysis recommends a rate plan with a 10% increase in FY 2027 and 12% rate increases from FY 2028 to FY 2036 are sufficient to maintain the utility's financial sustainability through the projection period. Additionally, the utility should look to fund approximately 12% of its CIP currently allocated to be funded by debt to cash funded from fees. Doing so will enhance coverage on debt and reserve debt capacity for international projects.

2. As it relates to the stormwater fee structure and methodology Stantec has the following recommendations:

    - It is recommended to set the ERU fee at $145.56 a 12.4% increase from FY 2026 to support the utilities revenue requirements, switch in collection mechanism, and updated billing units.

    - It is recommended that non-residential customers be transitioned to a measured fees basis, assessing each parcel based on the measured impervious area present on the parcel.

    - It is recommended to adopt a phased implementation of the revised ERU definitions and associated stormwater fees to mitigate customer impact and allow for a smoother transition in future years.

3. As it relates to the stormwater collection methodology Stantec has the following recommendations:

    - It is recommended to transition stormwater billing collection to a non-ad valorem assessment method through the annual tax bill to strengthen collection performance, reduce administrative burden, and ensure accuracy in billing.

Appendix A Assumptions & Preliminary Results Workbook

Schedule 1: Assumption

Schedule 2: FY 2026 Beginning Balances

Schedule 3: Projection of Cash Inflows

Schedule 4: Projection of Cash Outflows

Schedule 5: Cost Escalation Factors

Schedule 6: Capital Improvement Program

Schedule7: FAMS – Control Panel

Schedule 8: Pro Forma

Schedule 9: Capital Project Funding Summary

Schedule 10: Funding Summary by Fund

Schedule 11: Senior Lien Borrowing Projections

Hallandale, FL - Stormwater Utility

FY 2026 Stormwater Revenue Sufficiency Analysis

Assumptions & Preliminary Results Workbook

Stantec

Assumptions

Schedule 1

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
Rate Increase Adoption Date	10/1/2025	10/1/2026	10/1/2027	10/1/2028	10/1/2029	10/1/2030	10/1/2031	10/1/2032	10/1/2033	10/1/2034	10/1/2035
Annual Growth											
Stormwater											
Ending # of ERUs	50,977	51,165	51,354	51,544	51,735	51,926	52,118	52,311	52,505	52,699	52,894
ERU Growth	N/A	188	189	190	191	191	192	193	194	194	195
% Change in ERUs	*N/A*	*0.37%*	*0.37%*	*0.37%*	*0.37%*	*0.37%*	*0.37%*	*0.37%*	*0.37%*	*0.37%*	*0.37%*
% Paying Capital Charges	*100%*	*100%*	*100%*	*100%*	*100%*	*100%*	*100%*	*100%*	*100%*	*100%*	*100%*
Capital Spending											
Annual Capital Budget (Future Year Dollars)	$ 5,498,000	$ 14,712,000	$ 23,122,046	$ 23,335,984	$ 14,255,776	$ 2,060,299	$ 27,425,978	$ 20,104,897	$ 20,854,810	$ 21,632,694	$ 22,439,593
Annual Percent Executed	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Average Annual Interest Earnings Rate											
On Fund Balances	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Operating Budget Reserve											
Target (Number of Months of Reserve)	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0
Operating Budget Execution Percentage											
Personal Services	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Variable Operations and Maintenance	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
Fixed Operations and Maintenance	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

FY 2026 Beginning Balances as of 10/1/2025 — Schedule 2

Current Unrestricted Assets		
Cash and Cash Equivalents	$	17,025,038
Receivables:		520,381
Due from Other Governments		228,914
Total Assets	**$**	**17,774,333**
Accounts and Contracts Payable	$	(839,720)
Accrued Interest		(45,943)
Accrued Compensated Absences		(10,727)
OPEB liability		(6,643)
Calculated Fund Balance (Assets - Liabilities)	**$**	**16,871,300**
Plus/(Less):		-
Net Unrestricted Fund Balance	**$**	**16,871,300**
Funds Encumbered or Reserved for Projects not in the CIP		(6,439,287)
Available Fund Balance	**$**	**10,432,013**

Projection of Cash Inflows

Schedule 3

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
Rate Revenue Growth Assumptions											
Stormwater											
% Change in Rate Revenue	N/A	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%
Stormwater Rate Revenue											
Rate Revenue	$ 6,248,172	$ 6,898,357	$ 7,754,700	$ 8,717,398	$ 9,799,665	$ 11,016,145	$ 12,383,704	$ 13,921,110	$ 15,649,466	$ 17,592,164	$ 19,776,130
Total Stormwater Rate Revenue	**$ 6,248,172**	**$ 6,898,357**	**$ 7,754,700**	**$ 8,717,398**	**$ 9,799,665**	**$ 11,016,145**	**$ 12,383,704**	**$ 13,921,110**	**$ 15,649,466**	**$ 17,592,164**	**$ 19,776,130**
Non-Operating Revenue											
Stormwater Penalties	$ 50,000	$ 50,000	$ 51,865	$ 53,800	$ 55,806	$ 57,888	$ 60,047	$ 62,287	$ 64,610	$ 67,020	$ 69,520
Total Non-Operating Revenue	**$ 50,000**	**$ 50,000**	**$ 51,865**	**$ 53,800**	**$ 55,806**	**$ 57,888**	**$ 60,047**	**$ 62,287**	**$ 64,610**	**$ 67,020**	**$ 69,520**
Transfers In											
Grant	$ -	$ 800,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Transfers In	**$ -**	**$ 800,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Interest Income											
Unrestricted	$ 342,617	$ 399,208	$ 413,511	$ 361,999	$ 316,673	$ 334,903	$ 322,078	$ 279,264	$ 267,323	$ 258,126	$ 257,913
Total Interest Income	**$ 342,617**	**$ 399,208**	**$ 413,511**	**$ 361,999**	**$ 316,673**	**$ 334,903**	**$ 322,078**	**$ 279,264**	**$ 267,323**	**$ 258,126**	**$ 257,913**
Total Cash Inflows	**$ 6,640,789**	**$ 8,147,565**	**$ 8,220,076**	**$ 9,133,196**	**$ 10,172,144**	**$ 11,408,936**	**$ 12,765,829**	**$ 14,262,661**	**$ 15,981,399**	**$ 17,917,309**	**$ 20,103,563**

Projection of Cash Outflows

Schedule 4

		Expense Line Item	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
1		**Personal Services**											
2	PS	REGULAR SALARIES & WAGES	$ 672,394	$ 708,558	$ 739,026	$ 770,804	$ 803,949	$ 838,518	$ 874,575	$ 912,181	$ 951,405	$ 992,316	$ 1,034,985
3	PS	OVERTIME PAY	138,000	138,000	143,934	150,123	156,578	163,311	170,334	177,658	185,297	193,265	201,576
4	PS	AUTO & TRAVEL ALLOWANCES	480	480	498	516	536	556	576	598	620	643	667
5	PS	PHONE ALLOWANCE	4,792	5,628	5,838	6,056	6,282	6,516	6,759	7,011	7,273	7,544	7,825
6	PS	TAXES - SOCIAL SECURITY	39,663	42,618	44,451	46,362	48,356	50,435	52,603	54,865	57,225	59,685	62,252
7	PS	TAXES - MEDICARE	9,345	10,000	10,430	10,878	11,346	11,834	12,343	12,874	13,427	14,005	14,607
8	PS	PENSIONS - GENERAL EMPLOYEES	110,520	138,557	144,515	150,729	157,210	163,970	171,021	178,375	186,045	194,045	202,389
9	PS	PENSION- ICMA 401 (a)	8,352	-	-	-	-	-	-	-	-	-	-
10	PS	PENSIONS - FRS	84,435	88,176	91,968	95,922	100,047	104,349	108,836	113,516	118,397	123,488	128,798
11	PS	PENSIONS - 401(a) MATCH PGM	16,676	17,604	18,361	19,150	19,974	20,833	21,729	22,663	23,637	24,654	25,714
12	PS	HEALTH INSURANCE	135,750	120,019	124,496	129,139	133,956	138,953	144,136	149,512	155,089	160,874	166,874
13	PS	DENTAL INSURANCE	3,750	2,078	2,156	2,236	2,319	2,406	2,496	2,589	2,685	2,785	2,889
14	PS	LIFE INSURANCE	707	708	734	762	790	820	850	882	915	949	984
15	PS	LONG-TERM DISABILITY INSURANCE	524	465	482	500	519	538	558	579	601	623	647
16	PS	WORKERS' COMPENSATION	10,932	10,312	10,755	11,218	11,700	12,203	12,728	13,275	13,846	14,442	15,063
17	PS	GENERAL EMPLOYEE TRAINING	10,575	10,575	10,969	11,379	11,803	12,243	12,700	13,174	13,665	14,175	14,703
18	PS	LICENSE & RECERTIFICATION	17,150	31,395	32,566	33,781	35,041	36,348	37,704	39,110	40,569	42,082	43,652
19	PS	SICK LEAVE BUYBACK	-	3,087	3,220	3,358	3,503	3,653	3,810	3,974	4,145	4,323	4,509
20		**Operations & Maintenance**											
21	OMF	CONSULTANTS & CONTRACTS	$ 120,942	$ 14,261	$ 14,793	$ 15,345	$ 15,917	$ 16,511	$ 17,127	$ 17,765	$ 18,428	$ 19,115	$ 19,828
22	OMF	AUDITING	5,480	5,640	5,850	6,069	6,295	6,530	6,773	7,026	7,288	7,560	7,842
23	OMF	OUTSIDE SERVICES	38,550	55,000	57,052	59,180	61,387	63,677	66,052	68,516	71,071	73,722	76,472
24	OMF	POSTAGE	4,250	-	-	-	-	-	-	-	-	-	-
25	OMV	ELECTRICITY	61,000	45,921	47,932	50,032	52,223	54,511	56,898	59,390	61,992	64,707	67,541
26	OMV	WATER AND SEWER	450	1,594	1,664	1,737	1,813	1,892	1,975	2,062	2,152	2,246	2,344
27	OMF	UNIFORMS RENTED	2,104	1,462	1,517	1,573	1,632	1,693	1,756	1,821	1,889	1,960	2,033
28	OMF	EQUIPMENT RENTAL	25,000	25,000	25,933	26,900	27,903	28,944	30,024	31,143	32,305	33,510	34,760
29	OMF	MACHINERY & EQUIP-OUTSIDE	5,000	2,500	2,593	2,690	2,790	2,894	3,002	3,114	3,231	3,351	3,476
30	OMF	INFRASTRUCTURE MAINTENANCE	706,600	555,000	575,702	597,175	619,450	642,555	666,523	691,384	717,173	743,923	771,671
31	OMF	STORM DRAIN SYSTEMS	105,760	85,760	88,959	92,277	95,719	99,289	102,993	106,834	110,819	114,953	119,241
32	OMF	OPERATION & MAINTENANCE	103,329	106,949	110,938	115,076	119,369	123,821	128,440	133,230	138,200	143,355	148,702
33	OMF	EQUIPMENT TOOLS SUPPLIES	8,000	8,000	8,298	8,608	8,929	9,262	9,608	9,966	10,338	10,723	11,123
34	OMF	PLASTIC CONES	10,000	10,000	10,373	10,760	11,161	11,578	12,009	12,457	12,922	13,404	13,904
35	OMV	DIESEL FUEL	41,400	39,403	41,129	42,930	44,811	46,773	48,822	50,960	53,192	55,522	57,954
36	OMV	I.T.SOFTWARE MAINT/SERVS	-	13,000	13,485	13,988	14,510	15,051	15,612	16,195	16,799	17,425	18,075
37	OMV	MOTOR VEHICLE GAS	15,500	12,022	12,549	13,098	13,672	14,271	14,896	15,548	16,229	16,940	17,682
38	OMF	UNIFORMS PURCHASED	2,780	2,300	2,386	2,475	2,567	2,663	2,762	2,865	2,972	3,083	3,198
39	OMF	BUILDING SUPPLIES/MATERIALS	2,500	2,500	2,593	2,690	2,790	2,894	3,002	3,114	3,231	3,351	3,476
40	OMF	MACHINERY & EQUIP. PARTS	15,000	15,000	15,560	16,140	16,742	17,366	18,014	18,686	19,383	20,106	20,856
41	OMF	DUES & MEMBERSHIPS	1,050	1,050	1,089	1,130	1,172	1,216	1,261	1,308	1,357	1,407	1,460
42	OMF	INTERNET SUBSCRIPTION/SVC	1,829	1,000	1,037	1,076	1,116	1,158	1,201	1,246	1,292	1,340	1,390
43	OMF	STORM DRAINS	50,000	15,000	15,560	16,140	16,742	17,366	18,014	18,686	19,383	20,106	20,856
44	OMF	MACHINERY & EQUIPMENT	25,000	25,000	25,933	26,900	27,903	28,944	30,024	31,143	32,305	33,510	34,760
45	OMF	INTERFUND TRANSFER GEN. LIAB.	34,711	-	-	-	-	-	-	-	-	-	-
46		**Total**	**$ 2,650,280**	**$ 2,371,622**	**$ 2,467,321**	**$ 2,566,901**	**$ 2,670,521**	**$ 2,778,345**	**$ 2,890,545**	**$ 3,007,298**	**$ 3,128,792**	**$ 3,255,218**	**$ 3,386,780**

Projection of Cash Outflows

Schedule 4

		Expense Line Item	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
47		**Total Expenses by Category**											
48	PS	Personnel Services	$ 1,264,045	$ 1,328,260	$ 1,384,398	$ 1,442,915	$ 1,503,909	$ 1,567,487	$ 1,633,758	$ 1,702,837	$ 1,774,842	$ 1,849,898	$ 1,928,135
49	OMV	Variable Operations & Maintenance	118,350	111,940	116,758	121,785	127,028	132,498	138,203	144,155	150,364	156,840	163,597
50	OMF	Fixed Operations & Maintenance	1,267,885	931,422	966,164	1,002,202	1,039,584	1,078,361	1,118,583	1,160,307	1,203,586	1,248,480	1,295,048
51		**Total Expenses**	**$ 2,650,280**	**$ 2,371,622**	**$ 2,467,321**	**$ 2,566,901**	**$ 2,670,521**	**$ 2,778,345**	**$ 2,890,545**	**$ 3,007,298**	**$ 3,128,792**	**$ 3,255,218**	**$ 3,386,780**
52		**Expense Execution Factors**											
53		Personnel Services	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
54		Variable Operations & Maintenance	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
55		Fixed Operations & Maintenance	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
56		**Total Expenses at Execution**											
57		Personnel Services	$ 1,264,045	$ 1,328,260	$ 1,384,398	$ 1,442,915	$ 1,503,909	$ 1,567,487	$ 1,633,758	$ 1,702,837	$ 1,774,842	$ 1,849,898	$ 1,928,135
58		Variable Operations & Maintenance	112,433	106,343	110,921	115,696	120,677	125,873	131,293	136,947	142,846	148,998	155,417
59		Fixed Operations & Maintenance	1,267,885	931,422	966,164	1,002,202	1,039,584	1,078,361	1,118,583	1,160,307	1,203,586	1,248,480	1,295,048
60		**Total Expenses at Execution**	**$ 2,644,362**	**$ 2,366,025**	**$ 2,461,483**	**$ 2,560,812**	**$ 2,664,170**	**$ 2,771,720**	**$ 2,883,635**	**$ 3,000,091**	**$ 3,121,274**	**$ 3,247,376**	**$ 3,378,600**
61		**Transfers Out**											
62		Interfund Transfer Gen. Liab.	$ 34,711	$ 34,711	$ 36,006	$ 37,349	$ 38,742	$ 40,187	$ 41,686	$ 43,241	$ 44,854	$ 46,527	$ 48,262
63		Vehicle Replacement	86,250	-	474,933	-	-	-	1,167,389	44,299	125,135	-	-
64		Interfund Transfer to General Fund	237,342	237,342	246,195	255,378	264,904	274,784	285,034	295,666	306,694	318,134	330,000
65		**Total Transfers Out**	**$ 358,303**	**$ 272,053**	**$ 757,134**	**$ 292,727**	**$ 303,645**	**$ 314,971**	**$ 1,494,109**	**$ 383,206**	**$ 476,682**	**$ 364,660**	**$ 378,262**
66		**Debt Service**											
67		Utility Rev Bonds Series 2024	$ 380,532	$ 380,667	$ 380,531	$ 380,667	$ 380,505	$ 380,586	$ 380,884	$ 380,829	$ 380,423	$ 380,748	$ 380,667
68		New Debt Service	200,480	925,758	2,295,584	3,884,510	5,118,717	5,609,059	6,758,413	8,440,294	9,942,161	11,500,047	13,116,043
69		**Total Debt Service**	**$ 581,012**	**$ 1,306,425**	**$ 2,676,115**	**$ 4,265,177**	**$ 5,499,222**	**$ 5,989,645**	**$ 7,139,297**	**$ 8,821,123**	**$ 10,322,584**	**$ 11,880,795**	**$ 13,496,710**
70		**Total Cash Outflows**	**$ 3,583,677**	**$ 3,944,503**	**$ 5,894,732**	**$ 7,118,715**	**$ 8,467,037**	**$ 9,076,337**	**$ 11,517,041**	**$ 12,204,419**	**$ 13,920,540**	**$ 15,492,832**	**$ 17,253,572**

Cost Escalation Factors

Schedule 5

Category	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
Salaries & Wages	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
Health Insurance	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
Retirement	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
Repair & Maintenance	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
Fuel, Utilities, Chemicals	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%
Admin Services	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%	3.73%
Stormwater ERCs Growth	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%
No Escalation	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

[1] The Weighted Average Increase in O&M Expenses is reflective of the cost escalation factors presented on this schedule and the cost execution factors on Schedule 1.

Capital Improvement Program[1]

Schedule 6

		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
1	**Stormwater Capital Projects**											
2	CDBG 51st Year (Match)	$ 450,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3	CDBG 52nd Year (Match)	-	450,000	-	-	-	-	-	-	-	-	-
4	CDBG 53rd Year (Match)	-	-	450,000	-	-	-	-	-	-	-	-
5	CDBG 54th Year (Match)	-	-	-	450,000	-	-	-	-	-	-	-
6	CDBG 55th Year (Match)	-	-	-	-	450,000	-	-	-	-	-	-
7	CDBG 56th Year (Match)	-	-	-	-	-	450,000	-	-	-	-	-
8	CDBG 57th Year (Match)	-	-	-	-	-	-	450,000	-	-	-	-
9	Diana Drive Roadway & Drainage Improvements P	-	-	-	1,476,637	-	-	-	-	-	-	-
10	NE 14th Ave Canal - Rehabilitation	-	300,000	-	-	-	-	-	-	-	-	-
11	**Stormwater Grant Funded Capital Projects**											
12	CDBG 51st Year	$ 150,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13	CDBG 52nd Year	-	150,000	-	-	-	-	-	-	-	-	-
14	CDBG 53rd Year	-	-	150,000	-	-	-	-	-	-	-	-
15	CDBG 54th Year	-	-	-	150,000	-	-	-	-	-	-	-
16	CDBG 55th Year	-	-	-	-	150,000	-	-	-	-	-	-
17	CDBG 56th Year	-	-	-	-	-	150,000	-	-	-	-	-
18	CDBG 57th Year	-	-	-	-	-	-	150,000	-	-	-	-
19	**Stormwater Revenue Bond Projects**											
20	Foster Road 60" Trunk Line	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,779,680	$ -	$ -	$ -	$ -
21	N.W. 7th Avenue 48" Trunk Line	-	-	546,480	3,561,228	-	-	-	-	-	-	-
22	N.W. 3rd Street 48" Trunk Line (construction)	-	-	-	-	-	1,056,000	7,811,021	-	-	-	-
23	Atlantic Shores Boulevard 96" Trunk Line	-	-	-	1,056,000	10,725,581	-	-	-	-	-	-
24	S.W. 11th Avenue 48" Trunk Line	440,000	7,293,440	-	-	-	-	-	-	-	-	-
25	DPW Compound Stormwater Remediation, includir	628,496	1,478,400	-	-	-	-	-	-	-	-	-
26	Northeast section drainage infrastructure improven	-	440,000	7,084,000	-	-	-	-	-	-	-	-
27	NE Section Drainage Infrastructure Improvements	-	-	-	7,084,000	-	-	-	-	-	-	-
28	City Retention Lakes Dredging	-	-	6,072,000	-	-	-	-	-	-	-	-
29	I-95 Stormwater Station (Pembroke Park / FDOT) F	1,263,504	478,720	-	-	-	-	-	-	-	-	-
30	Citywide Swales	1,936,000	-	-	-	-	-	-	-	-	-	-
31	Citywide Swales Future Tranche	-	2,464,000	2,530,000	-	-	-	-	-	-	-	-
32	Drainage Improvements - Ansin Boulevard Industri	-	-	220,000	1,214,400	-	-	-	-	-	-	-
33	NE 14th Ave Canal - Rehabilitation	-	-	2,024,000	-	-	-	-	-	-	-	-
34	NE 3rd Ave Trunk Line - Stormwater Improvements	-	-	616,000	4,351,600	-	-	-	-	-	-	-
35	Future Capital	-	-	-	-	-	-	-	14,202,286	14,202,286	14,202,286	14,202,286
36	Future Capital Cash	630,000	1,657,440	2,603,520	2,354,622	1,462,579	144,000	2,671,459	1,936,675	1,936,675	1,936,675	1,936,675
37	**Total CIP Budget (in current dollars)**	**$ 5,498,000**	**$ 14,712,000**	**$ 22,296,000**	**$ 21,698,487**	**$ 12,788,160**	**$ 1,800,000**	**$ 22,862,160**	**$ 16,138,961**	**$ 16,138,961**	**$ 16,138,961**	**$ 16,138,961**
38	Cumulative Projected Cost Escalation[2]	0.0%	0.0%	3.7%	7.6%	11.6%	15.8%	20.1%	24.6%	29.2%	34.0%	39.0%
39	**Resulting CIP Funding Level**	**$ 5,498,000**	**$ 14,712,000**	**$ 23,122,046**	**$ 23,335,984**	**$ 14,255,776**	**$ 2,060,299**	**$ 27,425,978**	**$ 20,104,897**	**$ 20,854,810**	**$ 21,632,694**	**$ 22,439,593**
40	Annual CIP Execution Percentage	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
41	**Final CIP Funding Level**	**$ 5,498,000**	**$ 14,712,000**	**$ 23,122,046**	**$ 23,335,984**	**$ 14,255,776**	**$ 2,060,299**	**$ 27,425,978**	**$ 20,104,897**	**$ 20,854,810**	**$ 21,632,694**	**$ 22,439,593**

[1] Captial Project dollars have been reduced by cash funding amount

[2] CIP Escalation factors are consistent with the Engineering News Record Construction Cost Index.

FAMS - Control Panel **Schedule 7**

FAMS-XL | HALLANDALE BEACH, FL

Stantec

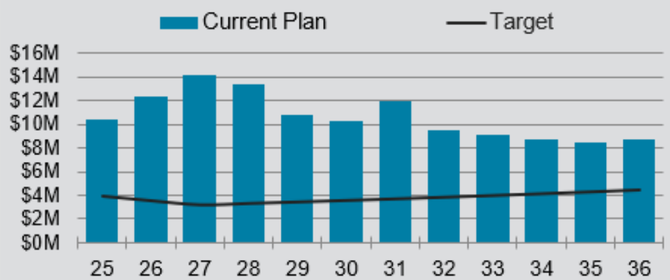
CALC SAVE CTRL LAST OVR

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2023	FY 2028
Stormwater Fee Plan		10.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Senior-Lien DSC	6.88	3.81	2.15	1.54	1.37	1.44	1.38	1.28	1.25	1.23	1.24		

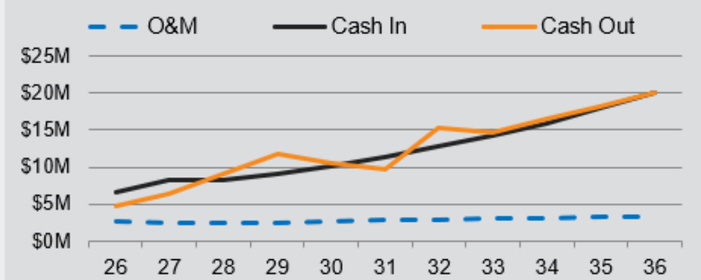
Scenario Manager

Cash Funded 12.00%

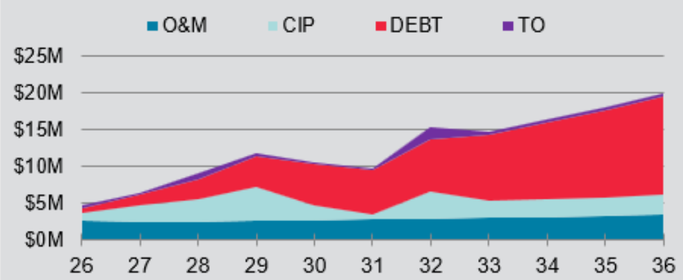
Operating Fund



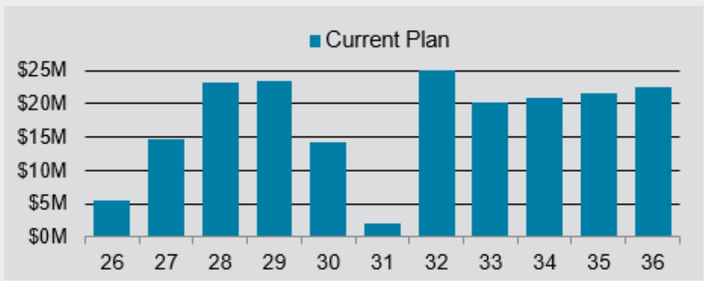
Revenues vs. Expenses



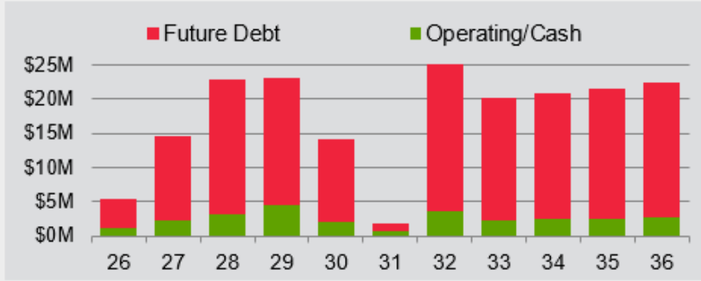
Expenses by Type



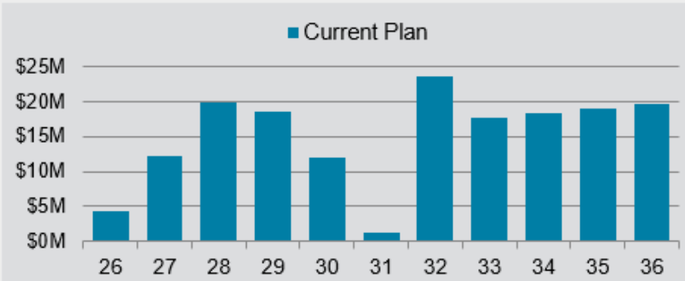
CIP Spending



CIP Funding



Borrowing



Pro Forma

Schedule 8

		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
1	**Operating Revenue**											
2	Stormwater, Rate Revenue	$ 6,248,172	$ 6,248,172	$ 6,898,357	$ 7,754,700	$ 8,717,398	$ 9,799,665	$ 11,016,145	$ 12,383,704	$ 13,921,110	$ 15,649,466	$ 17,592,164
3	Change in Revenue From Growth	-	23,062	25,482	28,691	32,303	36,179	40,733	45,859	51,628	57,823	65,096
4	Subtotal	$ 6,248,172	$ 6,271,234	$ 6,923,839	$ 7,783,391	$ 8,749,701	$ 9,835,844	$ 11,056,878	$ 12,429,562	$ 13,972,737	$ 15,707,289	$ 17,657,259
5	*Weighted Average Rate Increase*	*0.00%*	*10.00%*	*12.00%*	*12.00%*	*12.00%*	*12.00%*	*12.00%*	*12.00%*	*12.00%*	*12.00%*	*12.00%*
6	Additional Rate Revenue From Rate Increase	-	627,123	830,861	934,007	1,049,964	1,180,301	1,326,825	1,491,547	1,676,728	1,884,875	2,118,871
7	Total Rate Revenue	$ 6,248,172	$ 6,898,357	$ 7,754,700	$ 8,717,398	$ 9,799,665	$ 11,016,145	$ 12,383,704	$ 13,921,110	$ 15,649,466	$ 17,592,164	$ 19,776,130
8	**Equals: Total Operating Revenue**	**$ 6,248,172**	**$ 6,898,357**	**$ 7,754,700**	**$ 8,717,398**	**$ 9,799,665**	**$ 11,016,145**	**$ 12,383,704**	**$ 13,921,110**	**$ 15,649,466**	**$ 17,592,164**	**$ 19,776,130**
9	**Less: Operating Expenses**											
10	Personnel Services	$ (1,264,045)	$ (1,328,260)	$ (1,384,398)	$ (1,442,915)	$ (1,503,909)	$ (1,567,487)	$ (1,633,758)	$ (1,702,837)	$ (1,774,842)	$ (1,849,898)	$ (1,928,135)
11	Variable Operations & Maintenance Costs	(112,433)	(106,343)	(110,921)	(115,696)	(120,677)	(125,873)	(131,293)	(136,947)	(142,846)	(148,998)	(155,417)
12	Fixed Operations & Maintenance Costs	(1,267,885)	(931,422)	(966,164)	(1,002,202)	(1,039,584)	(1,078,361)	(1,118,583)	(1,160,307)	(1,203,586)	(1,248,480)	(1,295,048)
13	**Equals: Net Operating Income**	**$ 3,603,810**	**$ 4,532,332**	**$ 5,293,217**	**$ 6,156,586**	**$ 7,135,495**	**$ 8,244,425**	**$ 9,500,069**	**$ 10,921,019**	**$ 12,528,192**	**$ 14,344,787**	**$ 16,397,531**
14	**Plus: Non-Operating Income/(Expense)**											
15	Non-Operating Revenue	$ 50,000	$ 50,000	$ 51,865	$ 53,800	$ 55,806	$ 57,888	$ 60,047	$ 62,287	$ 64,610	$ 67,020	$ 69,520
16	Interest Income	342,617	399,208	413,511	361,999	316,673	334,903	322,078	279,264	267,323	258,126	257,913
17	Transfers In	-	800,000	-	-	-	-	-	-	-	-	-
18	**Equals: Net Income**	**$ 3,996,427**	**$ 5,781,540**	**$ 5,758,593**	**$ 6,572,384**	**$ 7,507,975**	**$ 8,637,216**	**$ 9,882,194**	**$ 11,262,570**	**$ 12,860,126**	**$ 14,669,933**	**$ 16,724,963**
19	**Less: Revenues Excluded From Coverage Test**											
20	Transfers In	$ -	$ (800,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21	**Equals: Net Income Available For Debt Service**	**$ 3,996,427**	**$ 4,981,540**	**$ 5,758,593**	**$ 6,572,384**	**$ 7,507,975**	**$ 8,637,216**	**$ 9,882,194**	**$ 11,262,570**	**$ 12,860,126**	**$ 14,669,933**	**$ 16,724,963**

Pro Forma

Schedule 8

			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
22	**Senior Lien Debt Service Coverage Test**												
23	Net Income Available for Senior-Lien Debt Service		$ 3,996,427	$ 4,981,540	$ 5,758,593	$ 6,572,384	$ 7,507,975	$ 8,637,216	$ 9,882,194	$ 11,262,570	$ 12,860,126	$ 14,669,933	$ 16,724,963
24	Existing Senior-Lien Debt		380,532	380,667	380,531	380,667	380,505	380,586	380,884	380,829	380,423	380,748	380,667
25	Cumulative New Senior Lien Debt Service (calculated)		200,480	925,758	2,295,584	3,884,510	5,118,717	5,609,059	6,758,413	8,440,294	9,942,161	11,500,047	13,116,043
26	**Total Annual Senior-Lien Debt Service**	**Req.**	$ 581,012	$ 1,306,425	$ 2,676,115	$ 4,265,177	$ 5,499,222	$ 5,989,645	$ 7,139,297	$ 8,821,123	$ 10,322,584	$ 11,880,795	$ 13,496,710
27	*Calculated Senior-Lien Debt Service Coverage*	**1.25**	**6.88**	**3.81**	**2.15**	**1.54**	**1.37**	**1.44**	**1.38**	**1.28**	**1.25**	**1.23**	**1.24**
28	**Total All-In Debt Service Coverage Test**												
29	Net Income Available for Subordinate Debt Service		$ 3,996,427	$ 4,981,540	$ 5,758,593	$ 6,572,384	$ 7,507,975	$ 8,637,216	$ 9,882,194	$ 11,262,570	$ 12,860,126	$ 14,669,933	$ 16,724,963
30	Total Senior-Lien Debt Service		581,012	1,306,425	2,676,115	4,265,177	5,499,222	5,989,645	7,139,297	8,821,123	10,322,584	11,880,795	13,496,710
31	**Total Annual Debt Service**		$ 581,012	$ 1,306,425	$ 2,676,115	$ 4,265,177	$ 5,499,222	$ 5,989,645	$ 7,139,297	$ 8,821,123	$ 10,322,584	$ 11,880,795	$ 13,496,710
32	*Calculated All-In Debt Service Coverage*		**6.88**	**3.81**	**2.15**	**1.54**	**1.37**	**1.44**	**1.38**	**1.28**	**1.25**	**1.23**	**1.24**
33	**Cash Flow Test**												
34	Net Income Available For Debt Service		$ 3,996,427	$ 4,981,540	$ 5,758,593	$ 6,572,384	$ 7,507,975	$ 8,637,216	$ 9,882,194	$ 11,262,570	$ 12,860,126	$ 14,669,933	$ 16,724,963
35	Less: Non-Operating Expenditures												
36	Net Interfund Transfers (In - Out)		(358,303)	527,947	(757,134)	(292,727)	(303,645)	(314,971)	(1,494,109)	(383,206)	(476,682)	(364,660)	(378,262)
37	Net Debt Service Payment		(581,012)	(1,306,425)	(2,676,115)	(4,265,177)	(5,499,222)	(5,989,645)	(7,139,297)	(8,821,123)	(10,322,584)	(11,880,795)	(13,496,710)
38	**Net Cash Flow**		$ 3,057,112	$ 4,203,063	$ 2,325,345	$ 2,014,481	$ 1,705,108	$ 2,332,599	$ 1,248,788	$ 2,058,241	$ 2,060,860	$ 2,424,477	$ 2,849,991
39	**Unrestricted Reserve Fund Test**												
40	Balance At Beginning Of Fiscal Year		$ 10,432,013	$ 12,409,125	$ 14,204,748	$ 13,362,676	$ 10,770,560	$ 10,340,988	$ 11,985,880	$ 9,485,978	$ 9,131,631	$ 8,689,914	$ 8,518,468
41	Cash Flow Surplus/(Deficit)		3,057,112	4,203,063	2,325,345	2,014,481	1,705,108	2,332,599	1,248,788	2,058,241	2,060,860	2,424,477	2,849,991
42	Projects Designated To Be Paid With Cash		(1,080,000)	(2,407,440)	(3,167,416)	(4,606,597)	(2,134,679)	(687,708)	(3,748,690)	(2,412,588)	(2,502,577)	(2,595,923)	(2,692,751)
43	**Balance At End Of Fiscal Year**		$ 12,409,125	$ 14,204,748	$ 13,362,676	$ 10,770,560	$ 10,340,988	$ 11,985,880	$ 9,485,978	$ 9,131,631	$ 8,689,914	$ 8,518,468	$ 8,675,708
44	Minimum Working Capital Reserve Target		3,525,816	3,154,700	3,281,977	3,414,416	3,552,226	3,695,627	3,844,846	4,000,121	4,161,698	4,329,835	4,504,800
45	**Excess/(Deficiency) Of Working Capital To Target**		$ 8,883,309	$ 11,050,048	$ 10,080,699	$ 7,356,144	$ 6,788,762	$ 8,290,253	$ 5,641,131	$ 5,131,511	$ 4,528,216	$ 4,188,633	$ 4,170,908

Capital Project Funding Summary

Schedule 9

Final Capital Projects Funding Sources	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
Senior-Lien Debt Proceeds	$ 4,268,000	$ 12,154,560	$ 19,804,630	$ 18,579,387	$ 11,971,097	$ 1,222,592	$ 23,527,288	$ 17,692,309	$ 18,352,232	$ 19,036,771	$ 19,746,842
Projects Designated To Be Paid With Cash	1,080,000	2,407,440	3,167,416	4,606,597	2,134,679	687,708	3,748,690	2,412,588	2,502,577	2,595,923	2,692,751
Grants	150,000	150,000	150,000	150,000	150,000	150,000	150,000	-	-	-	-
Total Projects Paid	**$ 5,498,000**	**$ 14,712,000**	**$ 23,122,046**	**$ 23,335,984**	**$ 14,255,776**	**$ 2,060,299**	**$ 27,425,978**	**$ 20,104,897**	**$ 20,854,810**	**$ 21,632,694**	**$ 22,439,593**

Funding Summary by Fund

Schedule 10

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
Revenue Fund											
Balance At Beginning Of Fiscal Year	$ 10,432,013	$ 12,409,125	$ 14,204,748	$ 13,362,676	$ 10,770,560	$ 10,340,988	$ 11,985,880	$ 9,485,978	$ 9,131,631	$ 8,689,914	$ 8,518,468
Net Cash Flow	3,057,112	4,203,063	2,325,345	2,014,481	1,705,108	2,332,599	1,248,788	2,058,241	2,060,860	2,424,477	2,849,991
Less: Cash-Funded Capital Projects	(1,080,000)	(2,407,440)	(3,167,416)	(4,606,597)	(2,134,679)	(687,708)	(3,748,690)	(2,412,588)	(2,502,577)	(2,595,923)	(2,692,751)
Less: Payment Of Debt Service	-	-	-	-	-	-	-	-	-	-	-
Subtotal	$ 12,409,125	$ 14,204,748	$ 13,362,676	$ 10,770,560	$ 10,340,988	$ 11,985,880	$ 9,485,978	$ 9,131,631	$ 8,689,914	$ 8,518,468	$ 8,675,708
Less: Restricted Funds	(3,525,816)	(3,154,700)	(3,281,977)	(3,414,416)	(3,552,226)	(3,695,627)	(3,844,846)	(4,000,121)	(4,161,698)	(4,329,835)	(4,504,800)
Total Amount Available For Projects	8,883,309	11,050,048	10,080,699	7,356,144	6,788,762	8,290,253	5,641,131	5,131,511	4,528,216	4,188,633	4,170,908
Amount Paid For Projects	-	-	-	-	-	-	-	-	-	-	-
Subtotal	$ 8,883,309	$ 11,050,048	$ 10,080,699	$ 7,356,144	$ 6,788,762	$ 8,290,253	$ 5,641,131	$ 5,131,511	$ 4,528,216	$ 4,188,633	$ 4,170,908
Add Back: Restricted Funds	3,525,816	3,154,700	3,281,977	3,414,416	3,552,226	3,695,627	3,844,846	4,000,121	4,161,698	4,329,835	4,504,800
Plus: Interest Earnings	342,617	399,208	413,511	361,999	316,673	334,903	322,078	279,264	267,323	258,126	257,913
Less: Interest Allocated To Cash Flow	(342,617)	(399,208)	(413,511)	(361,999)	(316,673)	(334,903)	(322,078)	(279,264)	(267,323)	(258,126)	(257,913)
Balance At End Of Fiscal Year	**$ 12,409,125**	**$ 14,204,748**	**$ 13,362,676**	**$ 10,770,560**	**$ 10,340,988**	**$ 11,985,880**	**$ 9,485,978**	**$ 9,131,631**	**$ 8,689,914**	**$ 8,518,468**	**$ 8,675,708**
Restricted Reserves											
Balance At Beginning Of Fiscal Year	$ -	$ 360,147	$ 1,396,591	$ 3,109,664	$ 4,770,739	$ 5,924,020	$ 6,204,906	$ 8,376,358	$ 10,120,581	$ 11,972,816	$ 13,938,381
Debt Service Reserve On New Debt	354,825	1,010,482	1,646,478	1,544,617	995,230	101,641	1,955,965	1,470,868	1,525,732	1,582,642	1,641,674
Subtotal	$ 354,825	$ 1,370,629	$ 3,043,069	$ 4,654,280	$ 5,765,969	$ 6,025,661	$ 8,160,872	$ 9,847,227	$ 11,646,312	$ 13,555,457	$ 15,580,056
Plus: Interest Earnings	5,322	25,962	66,595	116,459	158,051	179,245	215,487	273,354	326,503	382,924	442,777
Less: Interest Allocated To Cash Flow	-	-	-	-	-	-	-	-	-	-	-
Balance At End Of Fiscal Year	**$ 360,147**	**$ 1,396,591**	**$ 3,109,664**	**$ 4,770,739**	**$ 5,924,020**	**$ 6,204,906**	**$ 8,376,358**	**$ 10,120,581**	**$ 11,972,816**	**$ 13,938,381**	**$ 16,022,832**

Senior Lien Borrowing Projections

Schedule 11

			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
Term (Years)			20	20	20	20	20	20	20	20	20	20	20
Interest Rate			4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
Sources of Funds													
Par Amount			$ 4,717,168	$ 13,433,716	$ 21,888,886	$ 20,534,697	$ 13,230,946	$ 1,351,258	$ 26,003,319	$ 19,554,263	$ 20,283,637	$ 21,040,217	$ 21,825,017
Uses of Funds													
Proceeds			$ 4,268,000	$ 12,154,560	$ 19,804,630	$ 18,579,387	$ 11,971,097	$ 1,222,592	$ 23,527,288	$ 17,692,309	$ 18,352,232	$ 19,036,771	$ 19,746,842
Cost of Issuance	2.00%	of Par	94,343	268,674	437,778	410,694	264,619	27,025	520,066	391,085	405,673	420,804	436,500
Debt Service Reserve	1	Year(s) of Debt Service	354,825	1,010,482	1,646,478	1,544,617	995,230	101,641	1,955,965	1,470,868	1,525,732	1,582,642	1,641,674
Total Uses			$ 4,717,168	$ 13,433,716	$ 21,888,886	$ 20,534,697	$ 13,230,946	$ 1,351,258	$ 26,003,319	$ 19,554,263	$ 20,283,637	$ 21,040,217	$ 21,825,017
1 Year Interest			200,480	570,933	930,278	872,725	562,315	57,428	1,105,141	831,056	862,055	894,209	927,563
Annual Debt Service			$ 354,825	$ 1,010,482	$ 1,646,478	$ 1,544,617	$ 995,230	$ 101,641	$ 1,955,965	$ 1,470,868	$ 1,525,732	$ 1,582,642	$ 1,641,674
Total Debt Service			7,096,492	20,209,638	32,929,568	30,892,330	19,904,591	2,032,828	39,119,307	29,417,369	30,514,636	31,652,833	32,833,483
Cumulative New Annual Senior Lien Debt Service[1]			**$ 200,480**	**$ 925,758**	**$ 2,295,584**	**$ 3,884,510**	**$ 5,118,717**	**$ 5,609,059**	**$ 6,758,413**	**$ 8,440,294**	**$ 9,942,161**	**$ 11,500,047**	**$ 13,116,043**

[1]Reflects interest-only payment due in year of issuance.

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