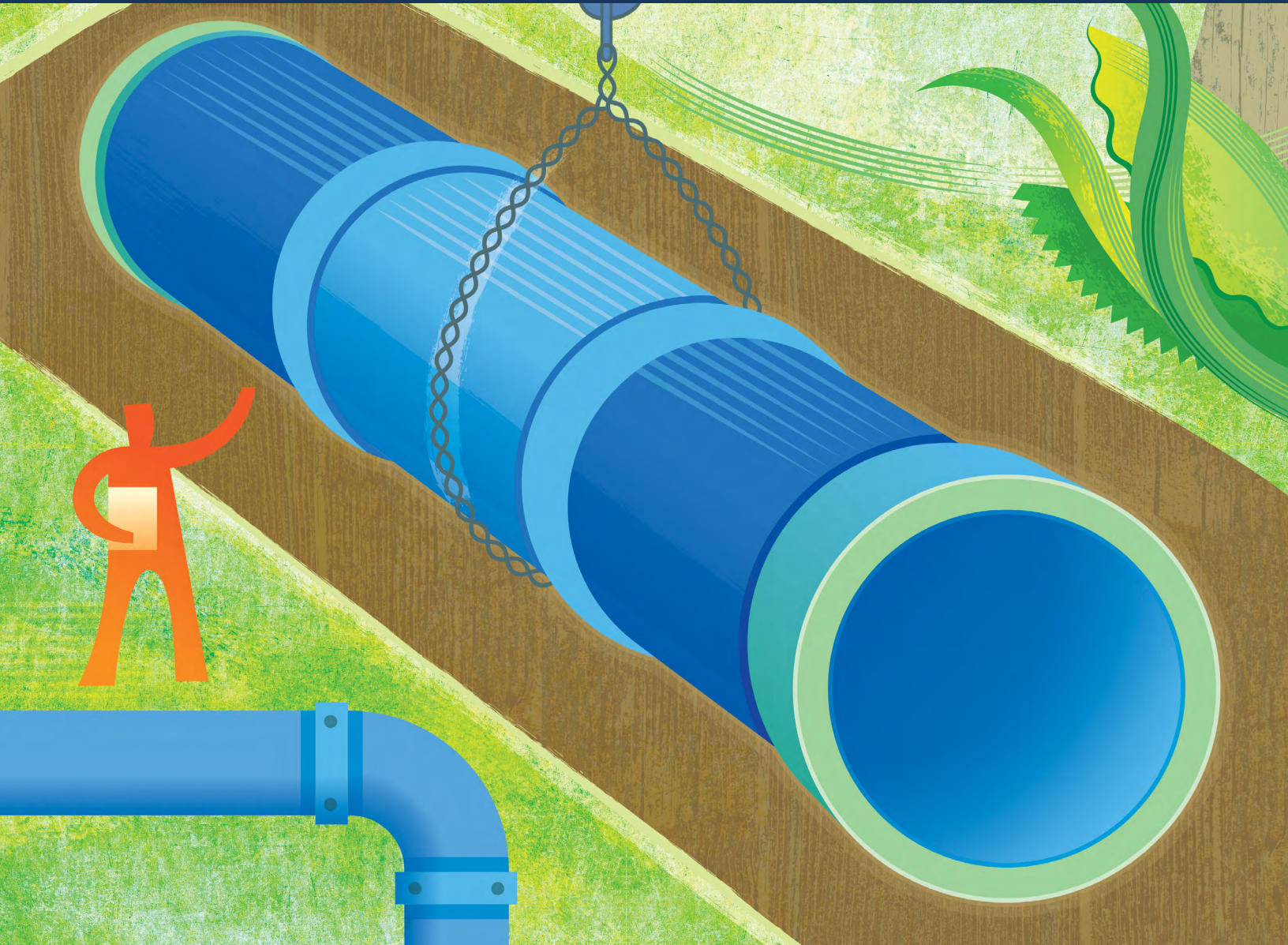


Approved Operating Budget

Fiscal Year 2023



Tampa Bay Water – 2023 Annual Budget
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Tampa Bay Water Board of Directors

June 2022

Tampa Bay Water is often cited as a model of regional cooperation, thanks to the spirit of regionalism that created the utility as well as the continuous regional efforts of our board of directors. Each elected official on our nine-member board represents an individual city or county that we serve, but at the dais, each also represents the Tampa Bay region as a whole. The policy decisions and directives of our board ensure our region has adequate and sustainable drinking water to support our economy, environment, and way of life.

Ron Oakley _____ Chairman
Commissioner – Pasco County

Mariella Smith _____ Vice-Chair
Commissioner – Hillsborough County

Harry Cohen _____ Member
Commissioner – Hillsborough County

Dave Eggers _____ Member
Commissioner – Pinellas County

Lisset Hanewicz _____ Member
Council Member – City of St. Petersburg

Rob Marlowe _____ Member
Mayor – City of New Port Richey

Charlie Miranda _____ Member
Councilman City of Tampa

Kathleen Peters _____ Member
Commissioner – Pinellas County

Kathryn Starkey _____ Member
Commissioner – Pasco County



Tampa Bay Water Executive Team

June 2022



Charles Carden
General Manager



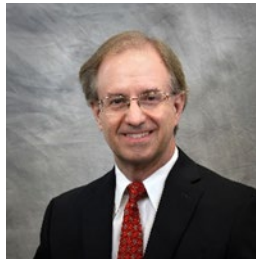
Barrie Buenaventura
Conn & Buenaventura – General Counsel



Michelle L. Stom, MPA, APR
Chief Communications Officer



Christina Sackett, MBA
Chief Financial Officer



Warren Hogg, P.G
Chief Science Officer



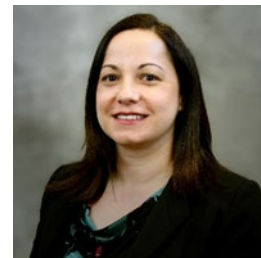
Jack Thornburgh
Interim Chief Operating Officer



Roberta Kety
Human Resources Director



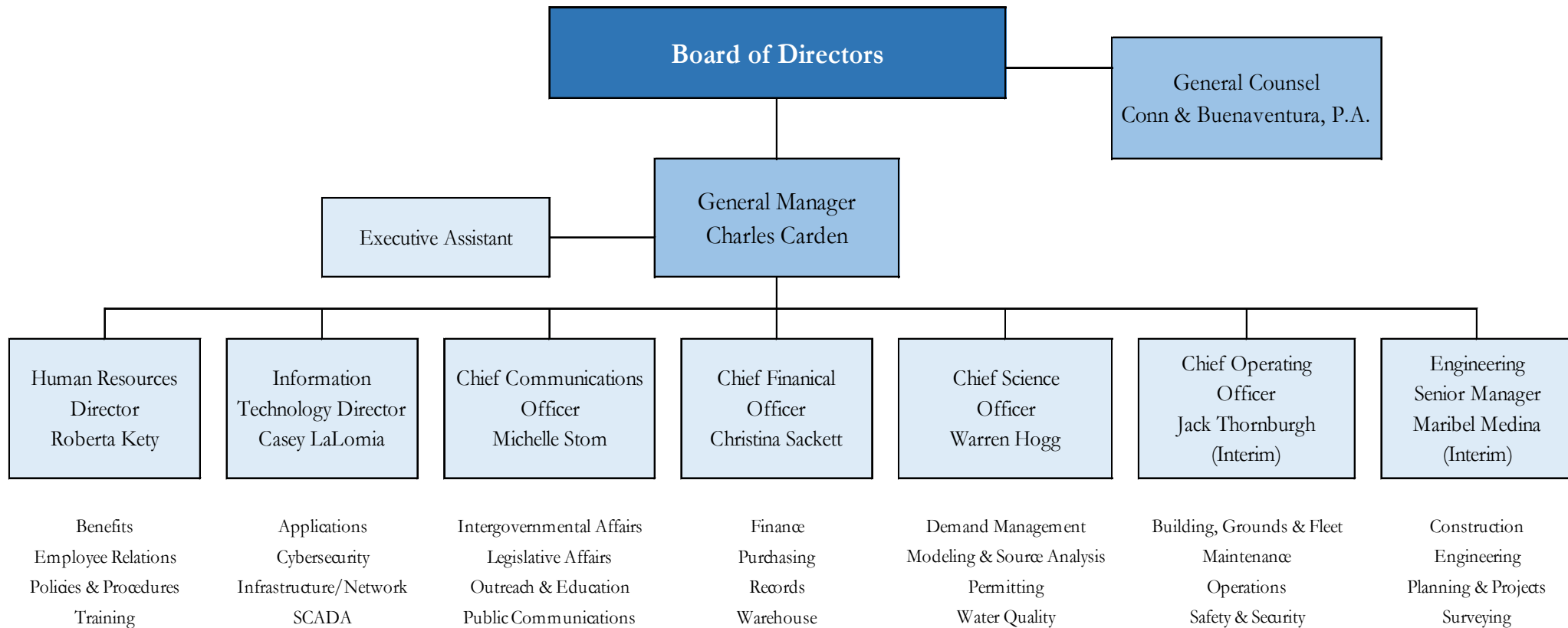
Casey LaLomia
Information Technology Director



Maribel Medina, P.E., PMP
Interim Senior Engineering Manager

**Tampa Bay Water
Organizational Chart
Fiscal Year 2023**

Fiscal Year 2022=159 FTE
Fiscal Year 2023=160 FTE
(1 New FTE Proposed)



Tampa Bay Water – 2023 Annual Budget

Agency Profile

Tampa Bay Water, A Regional Water Supply Authority (the Agency), formerly the West Coast Regional Water Supply Authority (the Predecessor Authority), was created on October 25, 1974, by enabling state legislation under *Florida Statute* Sections 163.01, 373.713, and 373.715. Hillsborough, Pasco, and Pinellas counties and the cities of St. Petersburg, Tampa, and New Port Richey comprise the Member Governments of the Agency. A Governance Study was adopted by the Florida Legislature in 1997 (the 1997 Legislation) amending Section 373.1963, *Florida Statutes*.

As part of the 1997 Legislation, the Agency entered into the Interlocal Agreement and the Master Water Supply Contract with its Member Governments for a term of 40 years. Pursuant to the Amended and Restated Interlocal Agreement and Master Water Supply Contract, the Agency is required to meet the Quality Water needs of the Member Governments and to charge a uniform per-gallon wholesale rate to Member Governments for the wholesale supply of drinking water; with one exception for the City of Tampa. The Agency will charge a separate rate to the City of Tampa for water delivered from the Tampa Bypass Canal. (See Summary of Contracts and Resolutions.)

Since forming in 1998, Tampa Bay Water has successfully achieved all the goals to create a new, diverse water supply system and cut back on groundwater pumping. Operating as a true, regional utility, the Agency has met its commitments to our local governments, the Florida Legislature, the regulatory officials, and the public by:

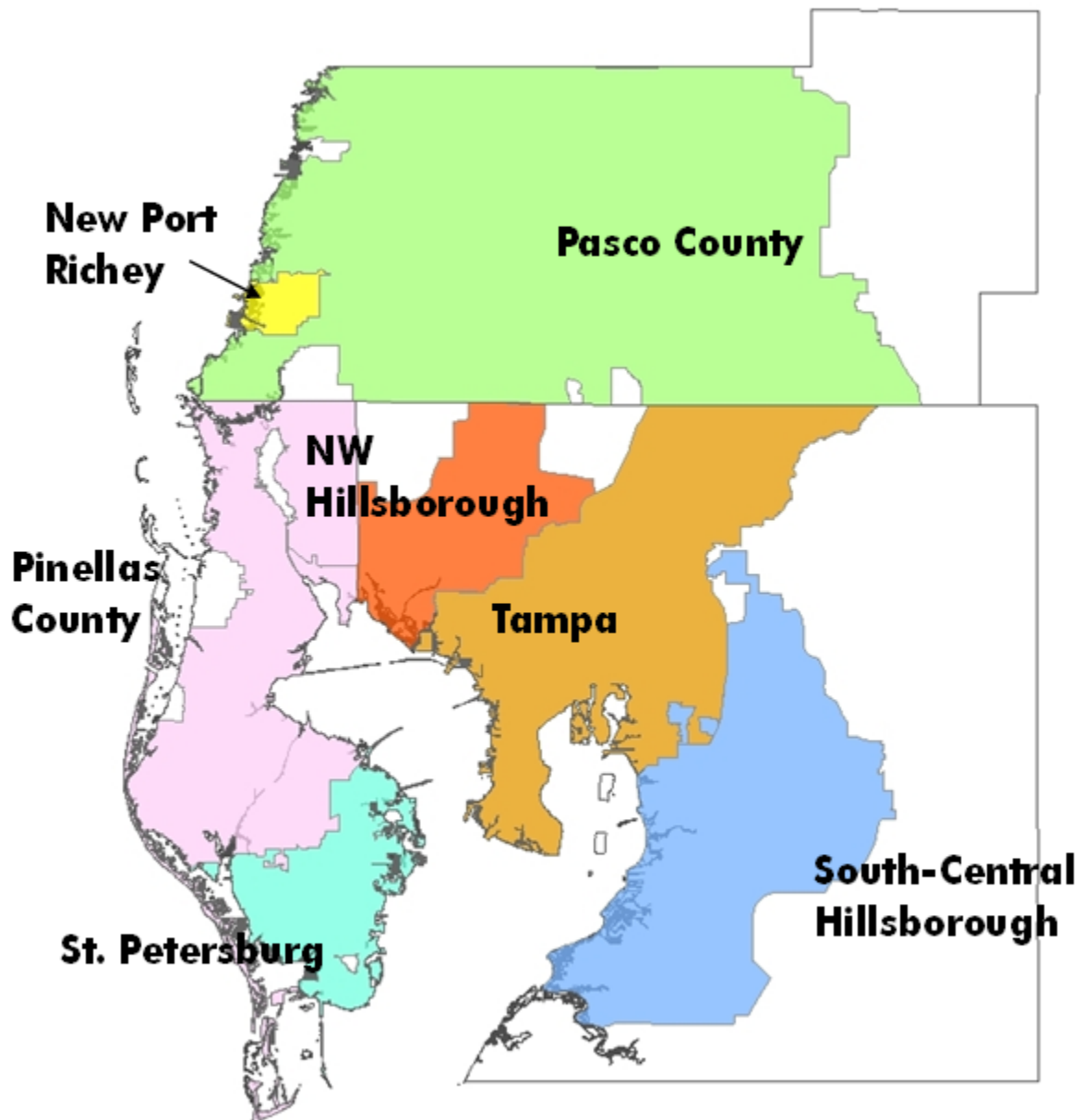
- Reducing groundwater pumping by nearly 100 million gallons per day through the development of alternative water supplies.
- Achieving environmental recovery in many of the region's wetland areas.
- Improving environmental monitoring at new and existing agency facilities.
- Providing high-quality, safe drinking water that surpasses all state and federal standards to our member governments.
- Ending litigation among our members and regulatory agencies over water issues.

Tampa Bay Water – 2023 Annual Budget

Agency Profile

The Agency supplies wholesale drinking water to Hillsborough County, Pasco County, Pinellas County, New Port Richey, St. Petersburg and Tampa. We supply water to more than 2.5 million people through the governments we serve.

Tampa Bay Water Service Areas



Tampa Bay Water – 2023 Annual Budget

Agency Profile

The Agency's administrative office is located in Clearwater, Florida. The Agency's operations, maintenance, and laboratory staff are located primarily at its Infrastructure Emergency Management and Laboratory facilities at the Cypress Creek Wellfield in Land O' Lakes, Florida. The Agency's diverse water system includes the following facilities located in Pasco, Pinellas and Hillsborough Counties:

Groundwater:

- Cypress Creek Wellfield & Pump Station
- Eldridge-Wilde Wellfield
- Cross Bar Ranch Wellfield
- Morris Bridge Wellfield
- Cypress Bridge Wellfield
- Northwest Hillsborough Wellfield
- Cosme-Odessa Wellfield
- Section 21 Wellfield
- Starkey Wellfield
- South Pasco Wellfield
- South Central Hillsborough Wellfield
- Carrollwood Wells
- Brandon Urban Dispersed Wells
- Keller Hydrogen Sulfide Removal Facility
- Lithia Hydrogen Sulfide Removal Facility

Surface Water:

- Tampa Bay Regional Water Treatment Plant
- Alafia River Pump Station
- South Central Hillsborough Booster Station
- Tampa Bypass Canal Pump Station
- C.W Bill Young Regional Reservoir
- Off-Stream Reservoir Pump Station

Desalinated Water:

- Tampa Bay Water Seawater Desalination Plant

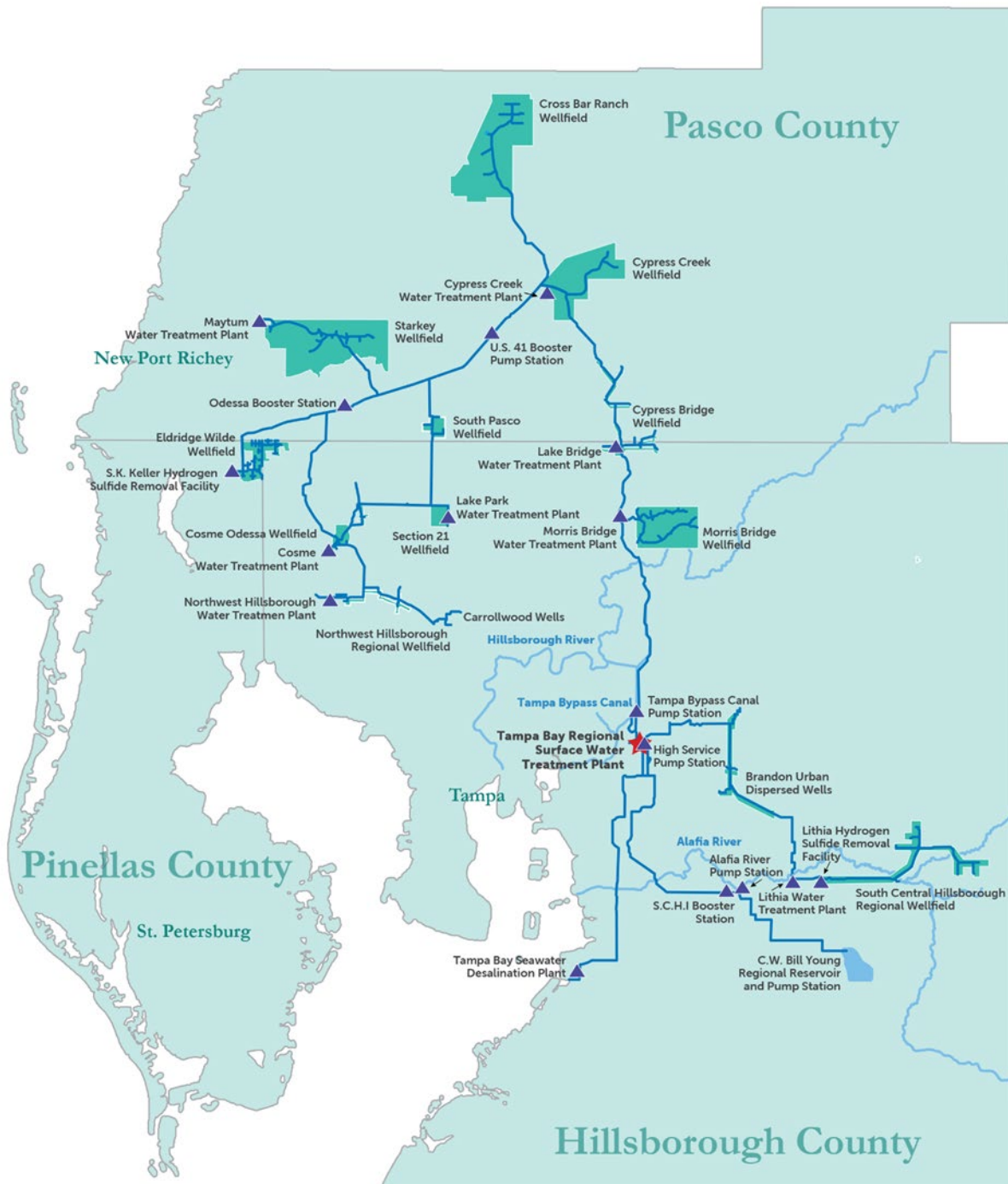
The water system also includes various booster stations, water treatment facilities, and approximately 200 miles of raw water collection mains and large-diameter potable water transmission mains.

Tampa Bay Water is subject to regulation by the Florida Department of Environmental Protection, the Florida Department of Health, and the United States Environmental Protection Agency (USEPA) for matters related to the quality of water and the construction of its facilities. In addition, the Southwest Florida Water Management District (SWFWMD) regulates consumptive uses of water through a permitting process.

Tampa Bay Water – 2023 Annual Budget

Agency Profile

Tampa Bay Water Facility Locations



Tampa Bay Water – 2023 Annual Budget

Agency Profile

Tampa Bay Water Strategic Plan – 2022-2027 – Introduction

The Tampa Bay Water Strategic Plan describes the six strategic goals, objectives, strategies, and tactics and key performance indicators necessary to carry out the policies set forth by the agency's board of directors and the strategic direction laid out in the Amended and Restated Interlocal and Master Water Supply agreements. Based on a five-year horizon, the Strategic Plan is updated annually in accordance with guiding policies and principles, related planning documents, and an analysis of current business trends.

The agency's member governments are represented through a nine-member board of directors. Tampa Bay Water was formed by the Florida Legislature under Sections 373.1962 and 163.01, Florida Statutes, which established the board of directors as the agency's governing body. This enabling legislation and the Amended and Restated Interlocal Agreement authorize Tampa Bay Water as the sole and exclusive supplier of Quality Water for its member governments; to meet its member government's water demands through implementing its master water planning process; to design, permit, construct, operate, and maintain water production and wholesale distribution facilities; and to incur bonded indebtedness and charge its customers a uniform wholesale rate.

In addition to the mandates in the agency's enacting legislation, the Amended and Restated Interlocal Agreement and the Master Water Supply Agreement, Tampa Bay Water's board of directors have adopted policies and principles consistent with those documents to guide the strategic direction of the agency. Those policies and procedures, as well as the strategic issues identified in three board of directors' workshops in 2020 and 2021, have been used in drafting the Tampa Bay Water Strategic Plan – 2022-2027.

The Strategic Plan is divided into six Strategic Goal areas that each recognize a key focus area of the agency. Each Strategic Goal area is then divided into Objectives that contain the management Strategies and Tactics necessary to achieve Tampa Bay Water's mission and vision.

Tampa Bay Water – 2023 Annual Budget

Agency Profile

Strategic Planning Process

Tampa Bay Water pursued a strategic planning update process that followed the book, *The Art of Strategic Leadership*, as recommended by the facilitator, WSP USA, Inc. This process uses skill and innovation to lead an organization to define and achieve a shared strategic direction. The process is proven to create a sustainable, programmatic approach to the development of an organization's strategy and leadership. It includes specific and intentional approaches that ensure implementation of the strategic plan will occur.

A key component of the process is the selection of a Core Planning Team. Tampa Bay Water's Core Planning Team was made up of agency managers, senior managers and executive team members. This team met in a series of ten workshops over ten months from March 2021 to December 2021 to develop the agency's new vision, and strategic goals, objectives, strategies and tactics to meet that vision. The Core Planning Team members gathered input and endorsement from all agency staff throughout the strategic planning process.

The role of the Core Planning Team was to be diverse and include existing and emergent agency leaders, to bring a wide range of perspectives to the strategic planning process and ultimately to build agency-wide acceptance for the strategic plan. During the workshops, team members were introduced to key performance indicators, understanding and working with different communications styles, using active listening skills, gaining staff endorsement, aligning everyday activities with the agency's mission and vision, and other tips for work prioritization.

In addition, Tampa Bay Water used several inputs to create the strategic plan including:

- Strengths, weaknesses, opportunities and threats and board-identified organizational issues from the board's three workshops throughout 2020 and the beginning of 2021.
- Recommendations and input from the agency's 2020 Performance and Management Audit by CliftonLarsonAllen.
- An internal Gap Analysis performed by the Core Planning Team to identify key organizational issues.

Each of these inputs provided the group with direction for creating the strategic goals, objectives, strategies, and tactics.

The final products from the Core Planning Team effort include:

- The **Tampa Bay Water Strategic Plan – 2022-2027** that includes the agency's Mission, Vision, Strategic Goals, Objectives and Strategies.
- A one-year Strategic Tactical Plan that includes the most urgent and top-ranked strategies and tactics for staff implementation. This plan will be updated annually, and the priorities will be included in the agency's annual budget. In addition, these activities will be monitored closely on a quarterly basis by the agency's Strategic Leadership Team and Executive Management Team.
- Finally, the remaining strategies and tactics will be consolidated into a Strategic Leadership Plan for the agency's Executive Management Team to prioritize annually.

Mission

Tampa Bay Water's mission is to reliably provide clean, safe water to the region now and for future generations.

Vision

Tampa Bay Water's vision is to be the leader in supplying sustainable, quality water.

Tampa Bay Water – 2023 Annual Budget

Agency Profile

Water Supply – Goal 1 – Deliver Quality Water and Enhance System Reliability and Sustainability

The Water Supply Strategic Goal consists of four Objectives that meet the agency's commitments and mandates.

1. *Achieve 100% compliance with regional contract requirements and permit limitations.*

The Compliance Objective was developed to guide implementation of the agency's core mandates and responsibilities and to ensure a reliable, high-quality water supply, environmental stewardship, and an asset management strategy for the regional system. Strategies under this Objective include:

- Maintaining the agency's regional water delivery capacity of 224.1 million gallons per day in an environmentally responsible manner ensures we can deliver on our commitments to our members.
- Meeting the future regional water supply delivers on a core Interlocal Agreement mandate.
- Improving the delivery of the agency's Capital Improvements Program ensures the most cost-effective investment in water supply infrastructure.

2. *Continually evaluate options to enhance water quality and public health protection.*

The Enhanced Water Quality and Public Health Protection Objective contains Strategies that focus on meeting the current and future challenges that assure the delivery of the highest quality water meeting Board of Directors' policies and the Interlocal Agreement's Quality Water standard. Strategies include:

- Improving future regional water quality meets our members' needs responsibly.
- Implementing source water assessment and protection program elements protects our regional water sources.

3. *Ensure resilience of infrastructure and supplies due to climate change and sea level rise.*

The Resilience Objective contains one Strategy that focuses on the agency's preparedness for Climate Change threats.

- Developing a Climate Adaptation Plan prepares the agency's water supply and utility system for threats from climate change and sea-level rise.

4. *Conserve an additional 11 million gallons per day regionally by 2030.*

The Conservation Objective contains one Strategy that focuses on modifying the agency's demand on the most cost-effective basis to minimize or defer future capital costs.

- Optimizing Tampa Bay Water Wise reduces demand and defers capital needs.

Tampa Bay Water – 2023 Annual Budget

Agency Profile

Continuous Improvement – Goal 2 – Continuously Improve Agency Operations

To meet its commitments to its member governments and achieve Tampa Bay Water's vision requires agency leadership to commit to being a learning organization and to seek continuous improvement. The Continuous Improvement goal includes two Objectives that support the agency's ability to adapt, be innovative and systematically enhancing targeted management and operational performance.

1. *Develop continuous improvement organizational program.*

Identifying an organizational continuous improvement program helps Tampa Bay Water to meet future challenges and identify new skills and business processes needed to improve knowledge retention and training and optimize operational responsiveness and efficiency. Strategies under this Objective include:

- Identifying an organizational continuous improvement program helps Tampa Bay Water be future ready.
- Agencywide development and codification of policies and procedures ensures progress towards an Environmental Management System.
- Implementing a unified staffing approach for Operations & Maintenance enhances operational effectiveness.
- Creating an organizational sustainability program aligned with our mission, vision and values enhances agency focus on environmental stewardship.

2. *Strengthen Information Technology and Data Management programs.*

Moving Tampa Bay Water master planning systems onto GIS platforms, increasing the usage of the agency's Computer Maintenance Management System and optimizing asset management practices improves agency performance. Strategies under this Objective include:

- Prioritizing, updating, and implementing GIS Master Plan improves information and asset management.
- Increasing Maximo usage and adoption improves the value of our maintenance management system.
- Optimizing the Asset Management Program ensures best possible asset lives and effective capital deployment.
- Improving the agency's enterprise data management strategy empowers data-driven decision making.
- Improving SCADA integration with OROP and other decision support tools enhances agency's environmental resource protection.

Tampa Bay Water – 2023 Annual Budget

Agency Profile

Financial Management – Goal 3 – Optimize Financial Stability and Sustainability

The Financial Management goal includes three Objectives that maintain and enhance the predictability and sustainability of Tampa Bay Water's uniform rate.

1. *Maintain uniform rate predictability.*

Predicting and optimizing future Uniform Rates is dependent on multi-variate operations and maintenance and capital project cost data and income inputs. Adopting financial tools and procedures and conducting cost-benefit evaluations aid in ensuring reliable agency rate projections. Strategies include:

- Utilizing the Water Supply Infrastructure Planning Model improves rate analysis and planning.
- Identifying potential cost-savings opportunities minimizes revenue requirements.
- Increasing revenue improves financial stability.

2. *Preserve strong bond rating.*

Tampa Bay Water's cost of future capital funds is tied to rating agency bond ratings. Preserving a strong bond rating requires communicating with rating agencies on changes to rating methodologies and ensuring strong agency internal accounting controls. Strategies include:

- Understanding rating agency methodologies preserves strong bond rating.
- Achieving a clean audit annually demonstrates strong internal controls and assures financial accountability.

3. *Pursue outside funding.*

Tampa Bay Water can reduce its costs and minimize Uniform Rate increases by securing federal, state, or local appropriations, grants and cooperative research funding. Strategies include:

- Identifying and pursuing federal, state and local appropriations and grant opportunities reduces the agency's costs.
- Identifying and pursuing research funding opportunities delivers valuable knowledge gain to our region and minimizes agency research and development costs.
- Participating in rebate and incentive programs helps reduce operating costs.

Tampa Bay Water – 2023 Annual Budget

Agency Profile

Stakeholder and Regional Collaboration – Goal 4 – Promote Open, Collaborative Relationships with Stakeholders

Promoting Tampa Bay Water’s interests as a regional water leader and creating a culture based on collaborative engagement with board members, member government utility leadership, staff and community partners enhances the level of service Tampa Bay Water provides to the regional community. Awareness of regional leadership at the local, state, and federal level ensures that member government interests are heard and known. The Stakeholder and Regional Collaborations goal include three Objectives that ensure effective communications throughout the Tampa Bay community.

1. *Increase awareness of agency as water leader.*

Tampa Bay Water emerged from the Water Wars of the eighties and nineties as a model of regional cooperation for cost-effectively providing critical infrastructure for the region’s water supply. This Objective is about creating a pathway for policy leaders to find optimal regional solutions. Strategies include:

- Focusing on policies for regional solutions helps to achieve agency mandates.
- Strengthening and expanding regional partnerships underscores the agency's position as the regional water leader.
- Promoting agency interests at federal and state levels establishes agency as a water expert.

2. *Increase collaboration with member governments.*

Providing water supply services requires addressing challenges due to the constantly changing demands of growth, increasing customer satisfaction and education, understanding regulatory changes to protect public health, understanding local levels of service and collaborating with member government staff towards common interests. Strategies under this Objective include:

- Collaborating and cooperating with member government communications on water-related communications increases audience reach.
- Providing regular opportunities for collaboration with Member Governments improves relationships and level of service.

3. *Increase awareness of agency projects and initiatives.*

Today, one of the greatest challenges to water agencies is having customers understand the value of the water delivered to their taps and instilling and maintaining trust. This Objective continues the agency's proactive and positive community presence to underscore the value of having a regional solution for water supply. Strategies include:

- Engaging the public on programs and projects provides actionable input, gains acceptance and support.
- Serving as the go-to resource on water topics enhances relationships with news media and increases the likelihood of coverage.

Tampa Bay Water – 2023 Annual Budget

Agency Profile

Workforce Learning and Growth – Goal 5 – Ensure an Engaged, Skilled and Adaptable Workforce

Tampa Bay Water is committed to its mission and to promoting the agency's collective interests as a regional water leader. To achieve these, the agency must maintain sustainability with an unprecedented number of retiring employees, shifting demographics, and a declining number of science and technical students receiving water-related degrees and/or technical training. Central to meeting this challenge is developing agency leaders, training staff, developing skills, promoting employee engagement and communication, and managing for retention. In addition, employee safety is at the forefront for the agency.

1. *Promote Workforce Training & Development*

This Objective enhances the agency's workforce leadership skills to promote sustainable management and develops agency training to improve employee skills and adaptability. Strategies under this Objective include:

- Developing workforce leadership skills promotes sustainable management.
- Developing comprehensive agency training & tracking program improves employee skills and adaptability.

2. *Recruit and Retain Engaged and Skilled Workforce*

This Objective focuses on employee engagement and retention and conducts collaborative workforce communications to provide feedback for agency continuous improvement efforts. Strategies include:

- Developing workforce planning tools increases employee engagement and retention.
- Conducting open and collaborative workforce communications enhances employee engagement and provides feedback to direct continuous improvement efforts.

3. *Prioritize Employee Safety*

This Objective creates a safety-first agency culture and creates tools that promote safe work environments. Strategies include:

- Promoting and supporting the safety committee is essential to creating a safety-first culture.
- Developing and implementing a job-specific safety assessment program promotes safe work environments.

Tampa Bay Water – 2023 Annual Budget

Agency Profile

Security and Readiness – Goal 6 – Safeguard Agency Infrastructure

Tampa Bay Water must be prepared to overcome many significant threats and challenges – both physical and cyber. In this digital age, information has intrinsic value and is shared and leveraged within an organization to support personnel and optimize working processes. One of the greater challenges a water agency faces is cyber threats. This goal addresses both physical assets and information technology systems including preparedness, risk and resiliency, security, and the organization's ability to recover from emergencies.

1. *Improve agency risk and resiliency program.*

The Risk and Resiliency Objective tests the organization's emergency readiness and includes a Comprehensive Continuity of Operations Plan to ensure the ability to deliver on our commitments to our members. Strategies under this Objective include:

- Implementing an emergency exercise evaluation program assures organizational readiness.
- Having a tested Comprehensive Continuity of Operations Plan is essential to continuously delivering on our commitments to our members.

2. *Secure agency physical assets.*

The Secure Agency Physical Assets Objective includes implementing a transformative Safety and Security Field Assessment Program that is critical to operationalize safety and security performance standards agencywide and advancing the Information Technology Asset Management Program to ensure the security of organizational resources. Strategies include:

- Implementing a Safety and Security Field Assessment Program is critical to operationalizing safety and security performance standards agencywide.
- Continued implementation of the Information Technology Asset Management Program protects the agency's information technology resources.

3. *Enhance comprehensive cyber security program.*

As critical infrastructure, it's imperative the agency has a comprehensive cybersecurity program to guard the agency and water system against cyber threats. Strategies under this Objective include:

- Developing and evolving cybersecurity measures and protocols promotes diligent safeguards against undesirable threats.
- Updating information technology strategic planning and implementing the recommendations helps assure organizational efficiency and performance.
- Aligning physical and cybersecurity initiatives protects agency infrastructure.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Tampa Bay Water
Florida**

For the Fiscal Year Beginning

October 01, 2021

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Tampa Bay Water, Florida for its Fiscal Year 2022 annual operating budget. In order to receive this award, a government unit must publish a budget document that meets criteria as a policy document, an organizational guide, a financial plan, and a communication device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirement, and we are submitting it to GFOA to determine eligibility for another award.

General Manager's Budget Message and Executive Summary

Fiscal Year 2023

The General Manager's Budget Message presents the key messages of the Fiscal Year 2023 Operating Budget.

The Executive Summary section provides a summary of Tampa Bay Water's financial plan by highlighting major items in the fiscal year 2023 operating budget.

Board of Directors

Ron Oakley
Mariella Smith
Harry Cohen
Dave Eggers
Lisset Hanewicz
Rob Marlowe
Charlie Miranda
Kathleen Peters
Kathryn Starkey

General Manager

Charles H. Carden

General Counsel

Barrie S. Buenaventura
Conn & Buenaventura, P.A.

June 1, 2022

Members of the Board:

I am pleased to present the proposed Tampa Bay Water annual budget for Fiscal Year 2023 in accordance with Section 2.08 of the Amended and Restated Interlocal Agreement. This budget balances the board's three overarching goals of maintaining a reliable water supply system, being good stewards of the environment, and maintaining cost-effective rates, while anticipating the agency's future needs as we aim to achieve our vision to be the leader in supplying sustainable, quality water.

The Proposed Fiscal Year 2023 Operating Budget demonstrates our continued commitment to priorities such as meeting the region's future water supply needs with the new water supply project or projects selected, executing the agency's updated strategic plan and implementing long-term solutions to address economic, environmental and social challenges.

Within this balanced budget, funding is aligned to deliver quality water, maintain the agency's current infrastructure and support retaining and attracting a quality workforce. The proposed budget includes adding one additional staff position, a performance-based merit increase and a cost-of-living adjustment. The agency is anticipating total water sales of 197.5 million gallons per day (mgd) and a uniform rate of \$2.5781 per 1,000 gallons.

In the following pages, you will find the facts and figures that make up the proposed Fiscal Year 2023 Budget, as well as policies and key factors that influence fiscal decisions.

As in prior years, the preparation of Tampa Bay Water's annual budget requires the collaborative efforts of many staff members. A special thanks to the finance department for their efforts to bring you this proposed budget.

Respectfully submitted,



Charles H. Carden
General Manager

Tampa Bay Water – 2023 Annual Budget

Executive Summary

Policy Goals Used in Fiscal Year 2023 Budget Development

The Fiscal Year 2023 budget was put together with important agency policy goals in mind. Those goals included:

- Meeting the performance requirements of the Master Water Supply Contract to provide high-quality water to our six-member governments.
- Operating our water supply facilities to improve supply delivery while also maintaining full compliance with regulatory permits.
- Achieving the goals specified in the Agency’s updated strategic plan.
 - Deliver Quality Water and Enhance System Reliability and Sustainability
 - Continuously Improve Agency Operations
 - Optimize Financial Stability and Sustainability
 - Promote Open, Collaborative Relationships with Stakeholders
 - Ensure an Engaged, Skilled and Adaptable Workforce
 - Safeguard Agency Infrastructure
- Addressing recommendations from the 2020 Performance and Management Audit Report and allocating our staff and financial resources to meet the board’s objectives for a sustainable and affordable water supply system.
- Continuing to balance and blend our multiple supplies of water sources to deliver high-quality, affordable water to our member governments.
- Beginning the next water supply system configuration to meet water demands by year 2028.
- Performing the future needs analysis to support the next update of the Long-Term Master Water Plan.
- Refining the models used to accurately predict the need for new water supplies in the future.
- Safeguarding the public’s investment in the region’s water supply and delivery system to ensure that both the water quality and water quantity meet the needs of the more than 2.5 million people in our region. Protecting that investment includes:
 - Focusing on the safety and security of our employees and our water supply facilities by preparing and exercising procedures and emergency preparedness plans for the staffing and operations of our water production facilities in disaster events.
 - Renewing and replacing existing infrastructure to ensure the optimal operation of our facilities over time.
 - Continuing to aware community, environmental and educational organizations for projects that promote the protection of our drinking water sources through the Source Water Protection Mini-Grant Program.
- Continuing to implement the Agency’s 2020 Succession Plan that was designed to proactively respond to shifts in staff attrition, address emerging recruitment challenges and capitalize on development opportunities in a way that ensures business continuity and supports both immediate and long-range agency priorities.
- Addressing the safety and security of both physical assets and information technology systems.

Tampa Bay Water – 2023 Annual Budget

Executive Summary

- Expanding the agency’s outreach and education program to underscore the importance of a reliable, sustainable water supply for economic and regional growth and development.
- Working with our member governments on the coordination and sharing of utility best management practices.
- Working with our colleagues around the country on continuing research into changes in weather patterns and the impact of climate change upon the surface water systems serving our area.
- Maintaining a strong relationship with the Southwest Florida Water Management District, the Florida Department of Environmental Protection, and other regulatory agencies to ensure open and honest communication on regulatory, planning and financial matters.

Key Factors Affecting the Fiscal Year 2023 Budget

Increase in Annual Water Sales

The agency is projecting a 5.3 million gallon per day (mgd) increase in water sales to our member governments over the 2022 budgeted water sales of 192.2 mgd. This is partly due to an upturn in growth in a few of our member governments’ service areas, particularly in the South-Central Hillsborough service area. The agency expects a steady trend in growth of water sales for future years and budgets. In addition, we are predicting normal weather conditions for fiscal year 2023.

Net Revenue Required from Water Sales

Another important factor in calculating the agency’s water rate is the net revenue required from water sales. The net revenue required must cover the agency’s costs: debt service, variable costs, contracted costs, and fixed costs. Management continues to improve operational efficiencies and reduce fixed costs, while maintaining our reliable water supply system, to minimize the impact on net revenue required. In addition, the agency has adequate reserve funds if needed for contingency, in the Rate Stabilization Account and the Utility Reserve.

Annual Debt Costs

In February 2020, the Board approve executing a Forward Delivery Agreement with Bank of America to refund all or a part of the Series 2010, 2011A and 2013 bonds in three tranches, in July 2020, July 2021, and July 2023 respectively. The annual bond debt service for fiscal year 2023 of \$70,285,137 reflects a savings of \$868,503 resulting from the third and final tranche to be executed in July 2023.

Slight Uniform Rate Increase

Additionally, management focused on providing a budget with a slight increase in the Uniform Rate for Tampa Bay Water’s customers. The approved rate of \$2.5781 per 1,000 gallons is an increase of \$0.0147 or 0.57% over the fiscal year 2022 uniform rate and is \$0.0141 less than the fiscal year 2023 rate projected in the Fiscal Year 2022 budget.

Tampa Bay Water – 2023 Annual Budget

Executive Summary

Water Demand Used in the Fiscal Year 2023 Budget

The projected water sales to the six-member governments are based on a multi-step process that considers the total water demand for each member government and for the region reflected in the Agency's long-term water demand forecasting models. These models produce retail and wholesale water demands for each of the seven water demand planning areas served by our member governments based on annually updated projected socio-economic data and normal weather (rainfall and temperature conditions). The annual update of projected member government water demands is presented to the Board at the end of each year. These demand projections are also compared with each member government's annual report.

The fiscal year 2023 budget was developed to reflect demand with average annual rainfall. The City of Tampa, Pasco County and the City of New Port Richey supply some water through their own facilities to meet a portion of their total water needs. The total regional water demand is reduced by the amount of water these members supply to themselves, resulting in the aggregate expected water demand for budget and planning purposes. The projected annual delivery to the member governments is significantly affected by the amount of water purchased by the City of Tampa, an uncertainty that is directly related to the amount of rainfall that may be experienced. For budgeting purposes, the City of Tampa's demand is budgeted at 6.0 million gallons per day (mgd) for fiscal year 2023, which is approximately the average amount of water the City of Tampa has purchased during the years they have needed to purchase water from the Agency. This 6.0 mgd is included in the total amount of water expected for delivery to the member governments. This projected total value of 197.5 mgd forms the basis of the budgeted uniform rate for fiscal year 2023. This compares to 192.2 mgd for fiscal year 2022. The increase in the projected demand is due to socio-economic projections which indicate that growth in the region is positive.

The Agency's budget is developed each year with a focus on the expected rainfall for the year. Scenarios for operating the system are developed to maximize the use of available river water and manage groundwater resources to achieve environmental recovery around our wellfields and meet permit requirements. Source selection for fiscal year 2023 includes use of the desalination facility at an annual average rate of 8.0 mgd.

The Agency maintains strong reserve balances to avoid mid-year rate increases due to unexpected changes in demand or increased costs. The Agency is proactive in funding reserve accounts for both the short and long term, allowing the Agency to maintain rates with moderate-to-no increases year-to-year, implement the renewal and replacement program, implement a comprehensive asset management program and retain excellent credit ratings on debt service.

Tampa Bay Water – 2023 Annual Budget

Executive Summary

Operational Highlights for Fiscal Year 2023

The amount of funding required to meet the Agency's approved fiscal year 2023 expenditures is \$192,259,384. The total expenditures are comprised of \$6,000,000 for funding the renewal and replacement fund and \$186,259,384 to cover variable costs and the remaining fixed costs components, such as debt, operations, and operations and maintenance agreements. This is a \$5.7 million net increase over the approved Fiscal Year 2022 Budget, which is largely due to the \$4.6 million increase in funding the renewal and replacement fund.

Some of the key features of the Fiscal Year 2023 Budget include:

- Operation of the Tampa Bay Seawater Desalination Plant at an annual average of 8 mgd by running the plant for 9 months to achieve this annual average for fiscal year 2023. Operating the plant this way increases efficiency and decreases maintenance costs at the plant.
- Full use of the C.W. Bill Young Regional Reservoir, the region's water saving account.
- An annual average production of 74 mgd at the Regional Surface Water Treatment Plant, using flows from the Hillsborough and Alafia rivers and the Tampa Bypass Canal, as well as water stored in the regional reservoir. The Plant production is managed to maximize the seasonally available higher river flows during wet-weather months. Like production at the desalination facility, Surface Water Treatment Plant production may be increased proportionately when river flows are available, to maintain the agency's groundwater pumping permitted levels.
- Use of 84.7 mgd on an annual average basis from the consolidated permit wellfields, which is 5.3 mgd less than the permit limit of 90 mgd, in recognition that we may need to increase groundwater production if we have a drier than normal year. Plus, an additional 30.8 mgd will come from other groundwater sources that are not part of the consolidated water permit.

The budget sub-total of \$186.3 million, totaling 96.9% of the budget, includes variable operating costs of \$31.8 million and fixed operating costs of \$154.5 million, 16.5% and 80.4% of the Agency's budget respectively. The \$154.5 million includes \$70.3 million for debt service, \$10.3 million for acquisition and water quality credits to the Members, and \$73.9 million in fixed operating costs, inclusive of \$15.1 million in professional services for the operations and maintenance agreements associated with the contracted water plant operations. The remaining 3.1% of the Agency's budget, totaling \$6 million is for funding the Renewal & Replacement Fund.

The Fiscal Year 2023 budget includes the following \$6.7 million in other funding sources that reduces the amount needed in net revenue from water sales.

- \$4.3 million in unencumber funds from FY 2022 to be carried over to FY 2023.
- \$1.9 million in Investment Revenue.
- \$392 thousand of revenue from surplus water sales at Tampa Bypass Canal.
- \$42 thousand for an Operation & Maintenance contract agreement with Pasco County at the Lake Bridge Facility.

The total expenditures are adjusted by the other funding sources to provide the net revenue required from water sales. The net revenue required for the approved Fiscal Year 2023 budget is \$185,847,755, resulting in a uniform rate of \$2.5781 per 1,000 gallons.

Tampa Bay Water – 2023 Annual Budget
Executive Summary

Analysis of Costs in the Fiscal Year 2023 Budget

Enterprise Funds	Approved FY 2022	Approved FY 2023	Variance +/-	Effect on Rate
<i>Sources of Funds</i>				
Water Sales	\$ 179,831,324	\$ 185,847,755	\$ 6,016,431	\$ 0.0835
Additional Credits/Surcharges (Board Approved)	42,000	42,000	0	0.0000
Tampa Bypass Canal – Sale of Water	392,000	392,000	0	0.0000
Interest Income	1,937,652	1,931,424	(6,228)	(0.0001)
Sources Sub-total	\$ 182,202,976	\$ 188,213,179	\$ 6,010,203	\$ 0.0834
Estimated Unencumbered Funds from Prior Year ¹	4,312,953	4,046,205	(266,748)	(0.0037)
Total Sources	\$ 186,515,929	\$ 192,259,384	\$ 5,743,455	\$ 0.0797
<i>Uses of Funds</i>				
Personnel Services	\$24,532,227	\$23,728,800	\$ (803,427)	\$ (0.0111)
Materials & Supplies	3,149,440	3,474,026	324,586	0.0045
Professional Services	35,674,334	33,990,491	(1,683,843)	(0.0234)
Repairs & Other Services	6,444,765	8,349,824	1,905,059	0.0264
Rent & Insurance	2,360,279	2,512,379	152,100	0.0021
Legal Services	555,000	655,000	100,000	0.0014
Capital Expenditures	1,683,944	1,160,025	(523,919)	(0.0073)
Debt Service – Bonds	71,1513,640	70,285,137	(868,503)	(0.0120)
Debt Service – Member Acquisition Credits	10,231,558	10,231,558	0	0.0000
Member Water Quality Credits	48,000	48,000	0	0.0000
Water Treatment Chemicals – Variable Cost	13,397,656	15,899,383	2,501,727	0.0347
Power/Electricity – Variable Cost	15,384,286	15,390,261	5,975	0.0001
Water for Resale – Variable Cost	500,800	534,500	33,700	0.0025
Uses Sub-total	\$ 185,115,929	\$ 186,259,384	\$ 1,143,455	\$ 0.0159
Transfer out to Renewal & Replacement Fund	1,400,000	6,000,000	4,600,000	0.0638
Total Uses	\$186,515,929	\$ 192,259,384	\$ 5,743,455	\$ 0.0797
Projected Water Demand (mgd)	192.2	197.5	5.3	
Projected Uniform Rate (\$/1,000 gallons)	\$ 2.5634	\$ 2.5781	\$ 0.0147	

Note 1 – Estimated unencumbered funds from prior year, for fiscal year 2023, are estimated at 2.25% of the fiscal year 2022 revenue from water sales. Funds transfer through the rate stabilization account at year-end.

Tampa Bay Water – 2023 Annual Budget Executive Summary

Fiscal Year 2023 Budget Schedule

To provide our member governments and the public with a budget document for use as information and for planning, the budget schedule requires final approval of the budget prior to August 1st each year.

The proposed Fiscal Year 2023 budget was distributed to the member governments prior to April 15th for review, followed by meetings with Tampa Bay Water staff and member governments to discuss. The proposed Fiscal Year 2023 budget was reviewed by the Board at a budget workshop held on April 18, 2022. A public hearing notice of the Board's intended adoption of the proposed Fiscal Year 2023 budget at the June 20, 2022 Board meeting was published in compliance with requirements in the Amended and Restated Interlocal Agreement for final budget approval. Following the public hearing the Board approved the Operating Budget and Capital Improvement Program for Fiscal Year 2023 via approval of Resolution 2022-001.

Annual Budget Development

Fiscal Year 2023

The Annual Budget Development section provides an overview of the key requirements for the annual budget development and approval process.

Tampa Bay Water – 2023 Annual Budget

Annual Budget Development

Budget Format

The summary and layout of the annual budget document is as follows:

- The **General Manager’s Budget Message and Executive Summary** is designed to provide a summary of Tampa Bay Water’s financial plan by highlighting major issues to be addressed in the fiscal year.
- The **Annual Budget Development** section provides an overview of the key requirements for the annual budget development and the approval process.
- The **Financial Management Policies** section provides a summary of Tampa Bay Water’s primary financial policies.
- The **Financial Plan** section provides an overview of Tampa Bay Water’s budgetary fund structure and information on revenue and expenditures, as well as capital spending for the fiscal year.
- The **Annual Rate Setting and Member Costs** section provides summarized information and schedules including current and projected rates and member costs. Charts and graphs are provided that depict the components of the budget and the rate impacts. Separate charts and schedules are provided for each Member Government to assist them in planning and coordination of their budgets and financial obligations associated with Tampa Bay Water’s contractual commitments.
- The **Debt Service** section provides a listing of the outstanding debt of the Agency, the Agency’s bond ratings, and the details of the debt requirements shown in the Financial Plan section. The section also provides information on debt coverage requirements and future debt service.
- The **Capital Improvement Program** section provides summary information about the Agency’s capital projects. This includes projects that are scheduled to be in the feasibility, design and construction phases during the fiscal year.
- The **Divisional Operating Budget Detail** section provides information on Tampa Bay Water’s office and divisional organization and responsibilities. It also includes the fiscal year budget for each division.
- The **Summary of Contracts and Resolutions** section provides key contractual requirements of the Master Water Supply Contract, the Amended and Restated Interlocal Agreement, and the Master Bond Resolution.
- The **Appendix** section includes a schedule of key dates for the budget process for the fiscal year. It also provides demographic and statistical information for Tampa Bay Water’s service area, and information to assist the Member Governments in the planning of their budgets.
- The **Glossary** section includes an alphabetical list of terms used in the budget document and defined by the Amended and Restated Interlocal Agreement, the Master Water Supply Contract, and the Master Bond Resolution.

Tampa Bay Water – 2023 Annual Budget

Annual Budget Development

For budgetary purposes, Tampa Bay Water is organized into two departments and four divisions under the office of the General Manager as listed below:

Office of the General Manager

General Manager

- Legal Coordination

Human Resources Department

Human Resources Director

- Benefits
- Employee Relations
- Policies and Procedures
- Training

Information Technology Department

Information Technology Director

- Applications
- Cybersecurity
- Infrastructure/Network
- SCADA

Public Affairs Division

Chief Communications Officer

- Intergovernmental Affairs
- Legislative Affairs
- Outreach and Education
- Public Communications

Finance and Administration Division

Chief Financial Officer

- Finance
- Purchasing
- Records
- Warehouse

Science Division

Chief Science Officer

- Demand Management
- Modeling and Source Analysis
- Permitting
- Water Quality

Water Production Division

Chief Operating Officer

- Building, Grounds and Fleet
- Maintenance
- Operations
- Safety and Security

Engineering Senior Manager

- Construction
- Engineering
- Planning and Projects
- Surveying

Tampa Bay Water – 2023 Annual Budget

Annual Budget Development

Tampa Bay Water’s annual budget development process utilizes a budget format that organizes the annual operating costs and other financial requirements of divisions, departments, and Office of the General Manager, into fourteen major expense categories and approximately 60 sub-categories.

The major expense categories for budgetary and accounting purposes include the following:

- Personnel Services
- Materials and Supplies
- Professional Services
- Repairs and Other Services
- Rent and Insurance
- Legal Services
- Capital Expenditures
- Debt Service – Bonds
- Debt Service – Member Acquisition Credits
- Member Water Quality Credits
- Water Treatment Chemicals
- Power and Electricity
- Water for Resale
- Reserve Funding

The major expense categories consist of sub-categories to allow Tampa Bay Water’s divisions, departments and offices to estimate the projected expenses at the sub-category level. For example, the Personnel Services category includes the following sub-categories: Regular Salaries, Other Salaries and Wages, Overtime, Shift Differential, On-call Pay, FICA, FRS, Life and Health Insurance, Workers’ Compensation, Unemployment Compensation, and Auto Allowance.

As part of the annual budget development process, each of Tampa Bay Water’s divisions, departments and the Office of the General Manager are required to prepare their initial annual budget requirements by major categories and sub-categories, using the budget model. These initial budget requirements are reviewed, evaluated, and modified, as needed, at the department, division, and agency levels to ensure that budgets are appropriate for planned operating levels, proposed project activity, and achievement of agency goals. The proposed budget is presented at a Board workshop for further review by the Board. Meetings are also held with the staff of the six member governments to review the proposed budget.

Tampa Bay Water – 2023 Annual Budget

Annual Budget Development

Budget Basis

The basis for developing and adopting the annual budget for Tampa Bay Water is established by the Amended and Restated Interlocal Agreement. This requires that the budget be prepared primarily on an accrual basis, which is similar to the Agency's annual financial statements. Notable differences between the budget basis and the GAAP basis used for financial reporting are as follows:

- Principal payments on long-term debt are treated as current expenditures for the budget basis, as opposed to being recorded as a reduction of outstanding liabilities for the GAAP basis.
- Capital expenditures funded from the rate are treated as current expenditures under the budget basis, but are treated as acquisition of capital assets under the GAAP basis.
- Capital expenditures funded from debt proceeds are not reflected under the budget basis and are capital asset acquisitions under the GAAP basis.
- The budget basis includes only that investment income which is available for use for budgetary purposes. The GAAP basis reflects all interest income, including that restricted as to purpose, and as adjusted for interest income which is offset against interest costs allocated to construction projects in accordance with GAAP.
- The budget basis includes only interest expense that is to be paid from the rate and budgeted revenue sources. Interest expense under the GAAP basis may also include interest costs being paid from bond proceeds (capitalized interest) and will exclude any interest costs that are treated as a cost of assets in the construction phase.
- The budget basis also reflects transfers to and from various reserves, which are not revenue and expense under the GAAP basis.

Tampa Bay Water – 2023 Annual Budget

Annual Budget Development

Annual Budget Requirements

This section briefly describes the key requirements of the annual budget development and approval process, as outlined in the Interlocal Agreement.

Section 2.08. Article II, Creation and Governance, of the Amended and Restated Interlocal Agreement establishes the procedures and requirements for the development of an annual budget for Tampa Bay Water. The requirements are as follows:

- Prior to July 1 of each year, the General Manager shall prepare and deliver to the Board a balanced tentative budget for Tampa Bay Water covering its proposed operating and other financial requirements for the ensuing fiscal year. The tentative budget shall identify:
- The rate at which Quality Water will be sold to Member Governments during such fiscal year; and
- The rate to be charged to the City of Tampa for water provided through the Tampa Bypass Canal pumping facility during such fiscal year.
- The Board shall publish a notice of its intention to adopt the budget and shall provide copies of the notice and tentative budget to each Member Government on or before the first publication date. The notice shall include a summary of the tentative budget; specify the rates at which Quality Water will be sold to the Member Governments; and identify the time, date, and place at which the public may appear before the Board and state their objections to or support of the budget and rates. The notice shall be published once a week for two consecutive weeks within thirty (30) days of the public hearing, in any newspaper qualified to accept legal advertisements in each county in the jurisdiction of Tampa Bay Water, the last insertion of which shall appear not less than one week prior to the date set by the Board for the hearing on the proposed budget and rates.
- At the time, date and place specified in the notice, the Board shall conduct a public hearing and thereafter may consider adoption of the budget and rates with any amendments it deems advisable. Unless otherwise authorized by the Board, the final budget and rates shall be adopted by August 1.
- The adopted budget shall be the operating and fiscal guide for Tampa Bay Water for the ensuing fiscal year. The Board may amend the budget at any regular or special meeting; provided however, that prior to approving any budget amendment that increases the total budget for any fiscal year (other than a budget amendment appropriating grant funds or the proceeds of debt obligations), the Board shall provide notice and conduct an additional public hearing in the manner described above.

Tampa Bay Water – 2023 Annual Budget

Annual Budget Development

Annual Budget Process

The Budget Administrator has the overall responsibilities of coordinating and managing the annual budget development process. Typically, Tampa Bay Water’s annual budget development and approval process (for the ensuing fiscal year) runs from November to June of the current fiscal year – essentially, the annual budget development process starts approximately eleven (11) months prior to the beginning of the fiscal year for which the budget is being developed.

Key milestones for the annual budget development and approval process are presented below:

Timing	Key Activities	Responsible Entity
2 nd week of November	Initiate the annual budget development process	Tampa Bay Water Budget Administrator
2 nd week of November	Request any changes (+/-) in the annual budget requests for the ensuing Fiscal Year (compared to the current Fiscal Year budget)	Tampa Bay Water Executive Team and Department Managers
2 nd week of November	Request any changes (+/-) in the annual budget request and/or format for the ensuing Fiscal Year from Tampa Bay Water’s Member Governments	Tampa Bay Water’s Member Governments
1 st week of December	Receive and incorporate information regarding potential changes (+/-) in the annual budget request and/or format for the ensuing Fiscal Year	Tampa Bay Water Budget Administrator
2 nd week of December	Request Member Governments to provide information/cost estimate regarding any special or unusual program need(s) for the ensuing Fiscal Year	Tampa Bay Water Budget Administrator
2 nd week of December	Distribute the annual budget packet to Executive Team and Department Managers for review	Tampa Bay Water Budget Administrator
4 th week of December	Identify special program needs, if any, and provide cost estimate for special program needs for the ensuing Fiscal Year	Tampa Bay Water’s Member Governments
4 th week of December	Receive and incorporate information regarding special program needs as submitted by the Member Governments	Tampa Bay Water Budget Administrator
2 nd week of January	Submit the annual budget requests for the ensuing Fiscal Year to the Finance Department	Tampa Bay Water Executive Team and Department Managers
4 th week of January	Distribute the preliminary draft budget for the ensuing Fiscal Year to the Executive Team, and Office of General Manager for their review and comment	Tampa Bay Water Budget Administrator
1 st week of February	Provide Tampa Bay Water with an updated Annual Report, in the form provided in Exhibit K of the Amended and Restated Interlocal Agreement, setting forth the next five Fiscal Years of projected Water service demand for their respective service area.	Tampa Bay Water’s Member Governments

**Tampa Bay Water – 2023 Annual Budget
Annual Budget Development**

Timing	Key Activities	Responsible Entity
2 nd week of February	Request an update from Member Governments regarding any project and/or program related changes, if any, since the last update in December	Tampa Bay Water Budget Administrator
2 nd week of February	Meet with all members of the Executive Team, Department Managers and the General Manager to review the annual budget requirement for the ensuing Fiscal Year	Tampa Bay Water Chief Financial Officer, Finance Manager and Budget Administrator
3 rd week of February	Incorporate any changes (+/-) to the annual budget request which resulted from meetings with the Executive Team, Department Manager, and the General Manager	Tampa Bay Water Budget Administrator
4 th week of February	General Manager meets with Executive Team to review program plans and outstanding issues regarding the annual budget for the ensuing Fiscal Year	Tampa Bay Water General Manager, Executive Team and Finance Manager
4 th week of March	Finalize any changes (+/-) to the annual budget request for the ensuing Fiscal Year based on feedback received from the General Manager	Tampa Bay Water Budget Administrator
1 st week of April	Prepare and distribute the bound copies of the annual budget for the ensuing Fiscal Year to Tampa Bay Water staff, Member Governments and Board	Tampa Bay Water Budget Administrator
1 st week of April	Meet with Member Governments representatives to discuss the proposed annual budget for the ensuing Fiscal Year	Tampa Bay Water Chief Financial Officer, Finance Manager and Budget Administrator
2 nd week of April	Incorporate comments/suggestions regarding the annual budget which resulted from meetings with Member Governments	Tampa Bay Water Budget Administrator
2 nd week of April	Prepare documents for Board workshop	Tampa Bay Water Budget Administrator
3 rd week of April	Conduct a Board workshop to discuss the annual budget proposal for the ensuing Fiscal Year	Tampa Bay Water Chief Financial Officer
3 rd week of May	Schedule and issue a notice for the public hearing regarding the final budget approval	Tampa Bay Water Budget Administrator
3 rd week of June	Obtain Board's approval of the ensuing fiscal year's final annual budget for Tampa Bay Water	Tampa Bay Water General Manager and Chief Financial Officer

Tampa Bay Water – 2023 Annual Budget

Annual Budget Development

Major Responsibilities

The annual budget development process for Tampa Bay Water is a group effort that relies on regular interactions between division officers, senior managers, department managers, the General Manager, General Counsel, and the Budget Administrator. Additionally, the Budget Administrator works closely with representatives of Member Governments to seek their input during the annual budget development process.

A high-level summary of major roles and responsibilities of various entities involved in the annual budget development process is presented below.

Tampa Bay Water – Budget Administrator

The Budget Administrator has the overall responsibility for coordinating and managing the annual budget development process. The major responsibilities of the Budget Administrator include:

- Prepare the necessary summary reports of prior fiscal year budget allocations and year-to-date actual expenses by major categories for all divisions, departments and offices – information provided in these summary reports serve as a basis for developing budgetary estimates for the ensuing fiscal year.
- Distribute the relevant summary reports to divisions, departments and offices.
- Set up and maintain the budget model to collect and process the annual budget data/information by categories for the ensuing fiscal year as received from divisions, departments and offices.
- Review the annual budgetary estimates prepared by divisions, departments and offices for the ensuing fiscal year.
- Identify and document a list of potential modifications to the annual budgetary requirements for divisions, departments and offices for the ensuing fiscal year based on prior fiscal year budget allocations, actual expenses, and guidelines established by the Chief Financial Officer, Finance Manager, and General Manager (e.g., impact on Member Governments of potential rate increase, keeping the total increase in the annual budget to a manageable level, etc.).
- Meet with the department managers and staff to review the annual budgetary estimates for the ensuing fiscal year for their respective division/department/office.
- Meet with division Officers, Directors, Senior Managers and General Manager to review the proposed budget requirements for the ensuing fiscal year.
- Revise the budget estimates, as necessary, based on the feedback received from the executive leadership and senior management of Tampa Bay Water.
- Prepare and distribute copies of the annual budget estimate for the ensuing fiscal year to Tampa Bay Water management, Member Governments and the Board.
- With the Finance Manager meet with the representatives of Member Governments to review the annual budget estimates for the ensuing fiscal year.

Tampa Bay Water – 2023 Annual Budget

Annual Budget Development

- Review potential concerns/comments/suggestions expressed by Member Governments regarding the annual budget estimate for the ensuing fiscal year with the Chief Financial Officer and General Manager, as necessary.
- Incorporate all changes to the preliminary budget estimate for the ensuing fiscal year that are approved by the General Manager and/or the Chief Financial Officer.
- Verify the annual budget's compliance with the terms specified in the Master Water Supply Contract, the Amended and Restated Interlocal Agreement, and provisions of the Financing Documents.
- Prepare and distribute the final budget for the ensuing fiscal year.

Tampa Bay Water – Executive Team and Department Managers

The Executive Team, department managers, the General Manager and a representative for General Counsel are responsible for the following activities for their respective division/department/office:

- Review the current fiscal year budget allocation against the year-to-date actual expenses by major categories.
- Identify, estimate and document anticipated changes (+/-) in the annual budgetary requirements (both capital and operating budget) for the ensuing fiscal year due to change in program(s) and/or project(s) requirements.
- Estimate and document potential changes (+/-) in the annual budgetary requirements for the ensuing fiscal year due to anticipated changes in operations, costs and/or quantities of materials/supplies required, consulting support services, etc.
- Prepare a preliminary budget estimate (both capital and operating budget) for the ensuing fiscal year.
- Input the annual budget estimates for the ensuing fiscal year by budget category and sub-category in the budget model.
- Meet with the Budget Administrator to discuss the annual budget requirements for the ensuing fiscal year.
- Support the Budget Administrator and the Finance Manager in their efforts to prepare the final budget for the ensuing fiscal year.

Member Governments

Tampa Bay Water's Member Governments have the following responsibilities in the annual budget development process:

- Provide the next five fiscal years of projected water services demand for their respective service area to Tampa Bay Water (use the form provided in Exhibit K of the Amended and Restated Interlocal Agreement).
- Identify and communicate any special program needs, which could have an impact on the annual budget request, for the ensuing fiscal year to Tampa Bay Water.
- Review the preliminary annual budget request for the ensuing fiscal year, and provide any comments/suggestions to the Budget Administrator.

Tampa Bay Water – 2023 Annual Budget Annual Budget Development

Tampa Bay Water – Board

Tampa Bay Water Board has the final authority to approve the annual budget request. The Board has the following responsibilities in the annual budget development and approval process:

- Review the tentative budget for Tampa Bay Water covering its operating and financial requirements for the ensuing fiscal year.
- Provide comments/suggestions, as necessary, to Tampa Bay Water’s Budget Administrator, Finance Manager, and Executive Team regarding the annual budget request for the ensuing fiscal year.
- Publish a notice of its intention to adopt the budget for the ensuing fiscal year during the scheduled public meeting.
- Conduct a public hearing and adopt the final budget and rates with any amendments it deems advisable.

Budget Implementation

The approved annual budget is input to the Agency’s financial accounting system at the beginning of each fiscal year. The system provides accountability and reporting of purchase order encumbrances and actual expenditures versus the approved budget. Agency staff, together with the Budget Administrator, monitor compliance with the budget. At year end, encumbrances which represent on-going contractual commitments are carried over to the succeeding fiscal year until the commitment is completed. Encumbrances which terminate at the end of the fiscal year are closed out at year end.

Budget Amendments

Agency policy allows the transfer of budget between sub-categories within a single budgetary category (e.g. within Professional Services from Hydrological Services to Ecological Services) with the approval of the General Manager. Transfers of budget between major categories (e.g. from Professional Services to Materials & Supplies or to Repairs & Other Services) must be submitted to the Agency’s board for approval regardless of dollar amount. Any increase to the total budget also requires Board approval and a public hearing.

Financial Management Policies

Fiscal Year 2023

The Financial Management Policies section provides a summary of Tampa Bay Water's primary financial policies.

Tampa Bay Water – 2023 Annual Budget

Financial Management Policies

The financial policies are intended as a guide to financial stewardship of Tampa Bay Water. The policies will guide essential decisions affecting budget and financial matters to ensure the Agency is financially prepared to meet the Board's immediate and long-term service objectives.

Utility Reserve Fund (Fund Balance) Policy

To provide adequate operating capital at all times, Tampa Bay Water shall maintain, at a minimum, a Utility Reserve Fund sufficient to cover 10% of yearly budgeted Gross Revenue (as defined in Tampa Bay Water's bond covenants), exclusive of revenue from government grants, whether such grants are received for capital improvement or operating purposes. The balance in the Utility Reserve Fund shall also be maintained at levels sufficient to ensure that Tampa Bay Water complies with its bond covenant requirements including a requirement that Net Revenues plus Fund Balance (unencumbered monies on deposit in the Utility Reserve Fund on the preceding September 30th) be equal to or greater than 125% of annual debt service coming due in the fiscal year. A higher coverage may be established by the Board if circumstances warrant such coverage.

To ensure compliance with Master Water Supply requirements, any Gross Revenues which remain on deposit at the end of the fiscal year and which are not required to pay liabilities existing at the end of the fiscal year (unexpended funds) shall be deposited to the Utility Reserve Fund. The Chief Financial Officer will evaluate the adequacy of the Utility Reserve Fund balance as it relates to both the current year and the succeeding budget year debt covenant calculations. Monies deposited to the Utility Reserve Fund will remain in the Utility Reserve Fund to the extent they are needed to maintain compliance with bond covenants and as required by the Utility Reserve Fund Policy.

Rate Stabilization Account Policy

The Master Water Supply Contract allows the Board to establish a Rate Stabilization account. After meeting the Utility Reserve Fund requirements, any additional funds deposited to the Utility Reserve Fund at the end of the fiscal year shall be transferred to the Rate Stabilization Account and accounted for as deferred revenues of the fiscal year in which the revenues were accrued. Such transfer and accounting must be made no later than 90 days after the end of the fiscal year in which the funds were accrued and must be approved by the General Manager.

The lesser of (a) 3% of budgeted revenue of the year just ended or (b) the total amount of encumbrances being carried forward or (c) the total amount of monies deposited to the Rate Stabilization Account may be applied as Revenue in the first succeeding fiscal year, with the approval of the General Manager. Such funds are to be used for purposes of funding encumbrances carried forward and/or other approved activities. Encumbrances which exist at the end of the fiscal year just ended and which are being funded from the Uniform Rate may also be carried to the first succeeding fiscal year with the approval of the General Manager to allow for completion of tasks that were budgeted and approved in the fiscal year just ending.

Any monies placed in the Rate Stabilization Account in excess of the 3% of budgeted revenue amount will be applied to the first succeeding fiscal year either to pay expenditures of the first succeeding fiscal

Tampa Bay Water – 2023 Annual Budget

Financial Management Policies

year for which rates are collected or to remain in the Rate Stabilization Account for use in a subsequent year. Any application of these monies in excess of 3% requires approval of the Board of Directors.

To the extent that any monies are utilized from the Rate Stabilization Account to fund expenditures currently provided for in the Uniform Rate, the rate being charged will be modified to take this funding into account.

Fixed Asset Policy

The Chief Financial Officer is responsible for establishing the policies and procedures necessary to provide adequate internal control over Fixed Assets. Policies and procedures shall be approved by the General Manager. Statements of policy shall be submitted to the Board of Directors for review. All Fixed Assets acquired by the Agency shall be titled to the Agency and recorded in the Fixed Assets records system. At a minimum, the Fixed Assets records system shall contain the applicable information required by regulatory bodies. (Reference: Fla. Statutes, Chap. 274.02; Florida Administrative Code, Chap. 69I-73.003). An annual physical inventory of all movable equipment shall be taken under the direction of the finance department and reconciled to the fixed asset records and general ledger control accounts in accordance with Fla. Statutes, Chap. 274.02 and Florida Administrative Code, Chap. 69I-73.006.

Investment Policy

The objectives of the Agency's investment policy are safety, liquidity and return on investment. The primary objective is safety, i.e. the minimization of risk and the preservation and protection of investment principal. The second objective is always to maintain enough liquidity to meet all cash requirements that can reasonably be anticipated. The third objective is to maximize investment return, but only within the constraints of the first two objectives. The investment policy also establishes allowable investments, investment providers, and investment concentrations in furtherance of these objectives. The Agency currently maintains all of its deposit accounts in accounts that qualify as Public Deposit accounts as defined by Florida Statutes or have been purchased from Securities Investor Protection Corporation (SIPC) brokers/dealers with a long-term issuer rating in the "A" category or higher from both Standard & Poor's and Moody's Rating Services.

Tampa Bay Water – 2023 Annual Budget

Financial Management Policies

Debt Policy

The Agency's debt policy permits the following: (a) issuance of debt obligations on behalf of Tampa Bay Water to finance the construction or acquisition of infrastructure and other assets for the purpose of meeting its water supply obligations to the member governments; and (b) issuance of debt obligations to refund outstanding debt when market conditions indicate at least a 3% present value savings or when other management considerations, as recommended by the agency's financial advisors, indicate the refunding is appropriate. The debt policy requires that debt obligations be issued and administered in such a manner as to insure and sustain the long-term financial integrity of Tampa Bay Water and to achieve the highest possible credit rating for the Agency. Debt obligations must be consistent with the Board's Derivative Policy. Also, debt obligations shall not be issued, and debt proceeds shall not be used to finance current operations without specific action of the Board and concurrence of the Agency's Bond Counsel as to the appropriateness of that action.

There is no legal limitation on the amount of debt that the Agency can issue. However, the Agency must be able to demonstrate that it can repay the debt from the revenues generated from water sales or other approved sources.

Tampa Bay Water's procedures for effective management of debt are as follows:

- Comply with all debt covenants and requirements of the bond resolution
- Evaluate potential refinancing of debt when present value savings equal or exceed 3% of current debt service
- Issue new debt at the most beneficial interest rates and only when required for financing of the Capital Improvement Program
- Maintain favorable bond ratings by effectively communicating the financial condition of Tampa Bay Water to rating agencies, bond holders and the public
- Utilize cooperative funding through grant programs whenever possible to reduce borrowing
- Schedule debt service payments to provide for gradual impacts on the uniform rate charged to the member governments over a period not to exceed the lesser of the useful life of the project or thirty years

Tampa Bay Water – 2023 Annual Budget

Financial Management Policies

Accounting, Auditing and Financial Reporting Policies

Tampa Bay Water maintains a system of financial monitoring, control, and reporting for its operations and resources to provide an effective means of ensuring that Agency goals and objectives are met.

Auditing

Each year the Agency has an annual financial audit performed by an independent certified public accounting firm. The results of this audit are included with the Agency's annual financial statements and are reported to the Board no later than March 1st of the subsequent year. The audited financial statements are available on the Tampa Bay Water website.

The Agency's independent auditors are selected in accordance with the Agency's Auditor Selection Policy and applicable Florida Statutes.

Basis of Accounting and Accounting Systems

The Agency's financial records and the annual financial statements are maintained on the accrual basis of accounting, consistent with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) pronouncements applicable to an enterprise fund. In addition, the Agency follows the rules of the Auditor General of the State of Florida which are applicable to the Agency and utilizes the State of Florida Uniform Accounting System. The Agency's accounting system also includes an encumbrance system for tracking purchase commitments.

Performance Audit

The Agency is required to have a performance audit and management study of its operations at five-year intervals. The performance audit and management study reviews program results and makes recommendations regarding the Agency's governance structure and the proper, efficient, and economical operation and maintenance of the Agency's water supply facilities. The last Management and Performance Audit was completed in fiscal year 2020 by CliftonLarsonAllen, LLP.

Financial Plan

Fiscal Year 2023

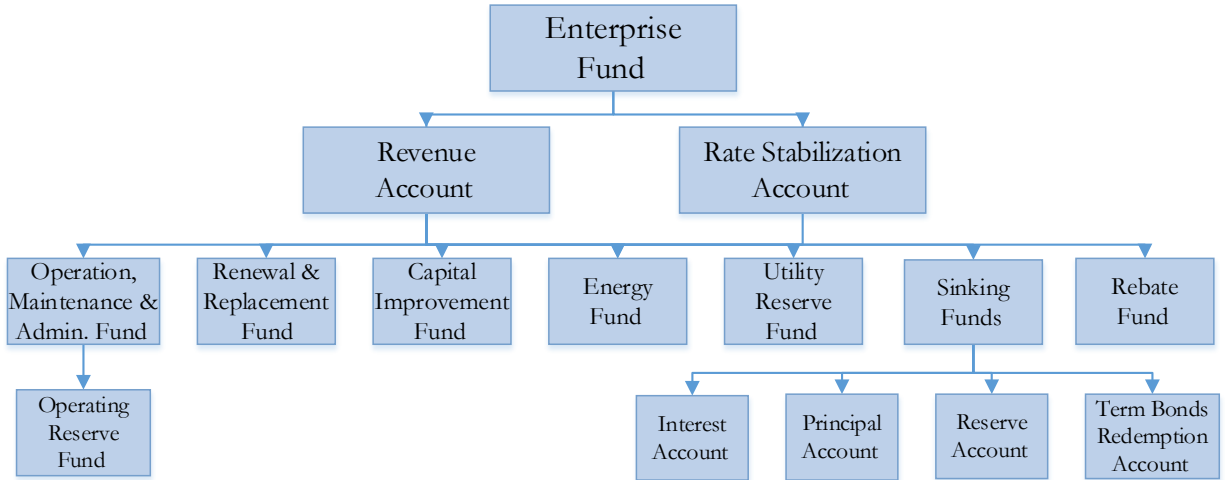
The Financial Plan section provides an overview of Tampa Bay Water's budgetary fund structure and information on revenue and expenditures, as well as capital spending for the budget year.

Tampa Bay Water – 2023 Annual Budget

Financial Plan

Funds Structure Overview

Tampa Bay Water consists of one major Enterprise Fund, which is further broken down into additional funds and accounts for accounting purposes.



- The **Revenue Account** is the initial depository for all Agency revenue. Revenue is transferred to other funds as required.
- The **Rate Stabilization Account** is funded and used by the annual budget and/or Board approved transfers, including funding of the Revenue Account.
- The **Operation, Maintenance, and Administration Fund** is used to pay all operating and administrative costs of the Agency. The Operation, Maintenance and Administration Fund includes the *Operating Reserve Fund*.
- The **Renewal and Replacement Fund** is used for repairs and replacement of the System as the need arises and as approved by the Board.
- The **Capital Improvement Fund** is used to pay costs of various capital projects as designated and approved by the Board.
- The **Energy Fund** is used for various energy projects as designated and approved by the Board.
- The **Utility Reserve Fund** is used for transfers in of any unexpended funds remaining at the end of a fiscal year. The fund balance is maintained at a balance sufficient to meet bond coverage requirements and operating capital needs. The Utility Reserve may be used for any lawful purpose relating to the System, including funding of the Rate Stabilization Account.
- The **Sinking Funds** holds all Agency funds restricted to payment of Agency debt. The Sinking Funds consists of four (4) accounts: *Interest Account, Principal Account, Reserve Account and Term Bonds Redemption Account*. The Interest, Principal, and Redemption Accounts are funded annually from Revenues and are used annually to pay debt service. The Reserve Account is fully funded from bond proceeds and generally changes only when new debt is issued, or an outstanding bond issue is redeemed.
- The **Rebate Fund** is used for rebatable arbitrage to the IRS, whenever interest on tax-exempt bond construction funds exceeds allowable earnings under IRS arbitrage regulations.

Tampa Bay Water – 2023 Annual Budget Financial Plan

Reserves and Restricted Funds

Tampa Bay Water maintains the following funds and accounts to comply with requirements of the financing documents and the Master Water Supply Contract.

Operating Reserve

Tampa Bay Water maintains Operating Reserve Funds. The amount of Operating Reserve Funds shall not exceed an amount equal to two times the monthly average Variable Costs as provided in Tampa Bay Water's annual budget. Investment earnings on the Operating Reserve remain in the account until the funding requirement is fully met and then may be used for any lawful purpose.

The Operating Reserve balance on October 1, 2022, is estimated to be \$5,304,024. This is two months of the fiscal year 2023 estimated variable costs of \$31,824,144. If required, a transfer of funds will be made from the Rate Stabilization account at the end of fiscal year 2023 to bring the Operating Reserve to a level equal to two months of variable costs.

Renewal and Replacement Fund

Tampa Bay Water is required to maintain an amount equal to five (5) percent of the prior fiscal year's Gross Revenues or such other amount as is certified by the Consulting Engineer. These funds are available to be used for repair and/or replacement of the System as the need arises. Investment earnings in the Renewal and Replacement Fund remain in the fund until the funding requirement is met. Investment earnings more than the funding requirement are deposited into the Revenue Fund and are available for any lawful purpose.

The Renewal and Replacement fund balance on October 1, 2022, is estimated at \$22,645,782. Tampa Bay Water has developed a Renewal and Replacement Program that identifies all critical components of the water delivery system and assists in developing a schedule for replacing or improving components to maintain the reliability of the system. The current estimate for program projects scheduled during 2023 is \$9,329,291. The total amount to be funded into the Renewal and Replacement Fund in fiscal year 2023 is \$6,000,000.

Capital Improvement Fund

Capital Improvement charges collected, or other funds received which are designated by the Board as Capital Improvement Funds are deposited to this fund. Investment earnings are deposited into the Revenue Fund and are available for any lawful purpose. The Capital Improvement Fund balance on October 1, 2022, is estimated at \$26,034,944. The current estimate for Capital Improvement program projects scheduled during 2023 is \$11,934,841.

Energy Fund

Funds generated from an agreement with Duke Energy's Commercial Demand Response Program Provider, ENERNOC and reimbursement from Withlacoochee River Electric Cooperative (WREC) are used to fund projects which result in an energy savings to Tampa Bay Water. Investment earnings are deposited into the Revenue Fund and are available for any lawful purpose. The Energy Fund balance on October 1, 2022, is estimated at \$161,184.

Tampa Bay Water – 2023 Annual Budget

Financial Plan

Utility Reserve Fund

Tampa Bay Water is required to transfer any unexpended funds remaining at the end of each fiscal year to the Utility Reserve Fund. The fund balance must be sufficient to cover 10% of the yearly budgeted Gross Revenues and is maintained at balances sufficient to meet bond coverage requirements. The Utility Reserve Fund may be used for any lawful purpose relating to the System. Investment earnings more than the reserve requirement are deposited into the Revenue Fund and are available for any lawful purpose. The estimated account balance on October 1, 2022, is \$30,811,788.

Sinking Fund – Interest and Principal Accounts

Funds collected to pay annual interest and principal on debt are deposited into the accounts and expended for debt service payments as they come due. Investment earnings more than the funding requirement are deposited into the Revenue Fund and are available for any lawful purpose. Funds in the account at the end of the fiscal year are used to pay debt due on October 1st of the new fiscal year. The estimated account balance on October 1, 2022, is \$55,206,408.

Sinking Fund Debt Service Reserve Account

Tampa Bay Water is required to fund and maintain an amount equal to the lesser of maximum annual aggregate debt service coming due in any fiscal year or 125% of the average annual debt service over the life of the Bonds outstanding. These funds may be used only to satisfy an insufficiency in the Debt Service Reserve until such time as the Bonds are paid off. When the amount of cash in the Reserve Account together with other amounts in the Debt Service Accounts, are sufficient to fully pay all outstanding Bonds in accordance with their terms, the funds on deposit in the Reserve Account may be used for payment of the Bonds. This reserve is fully funded. Investment earnings more than the reserve requirement are deposited into the Revenue Fund and are available for any lawful purpose. The estimated account balance on October 1, 2022, is \$71,462,851.

Rebate Fund

Interest earned on Construction Funds which exceeds allowable earnings under IRS arbitrage regulations may result in a rebate liability to the IRS. When a liability for arbitrage rebate is incurred, funds owing to the IRS are placed in the Rebate Fund. These funds and interest earned remain in the fund until the liability to the IRS is satisfied.

Rate Stabilization Account

The Rate Stabilization Account is funded from amounts established by the annual budget or approved by the Board. The fund is used to maintain changes in the Uniform Rate at more consistent levels. Investment earnings are deposited into the Revenue Fund and are available for any lawful purpose.

The Rate Stabilization account balance on October 1, 2022, is estimated at \$27,821,310 and is available for reduction of current and future year rates to the extent that it has not been designated by the Board for specific purposes including unanticipated legal and mitigation costs. A withdraw of \$4,046,205, equal to the estimated amount of unexpended 2022 funds, will be withdrawn from the account and will carry-forward into fiscal year 2023. Unexpended funds available for carryforward are deposited into the Rate Stabilization account at year-end and then withdrawn from the account the following fiscal year.

**Tampa Bay Water – 2023 Annual Budget
Financial Plan**

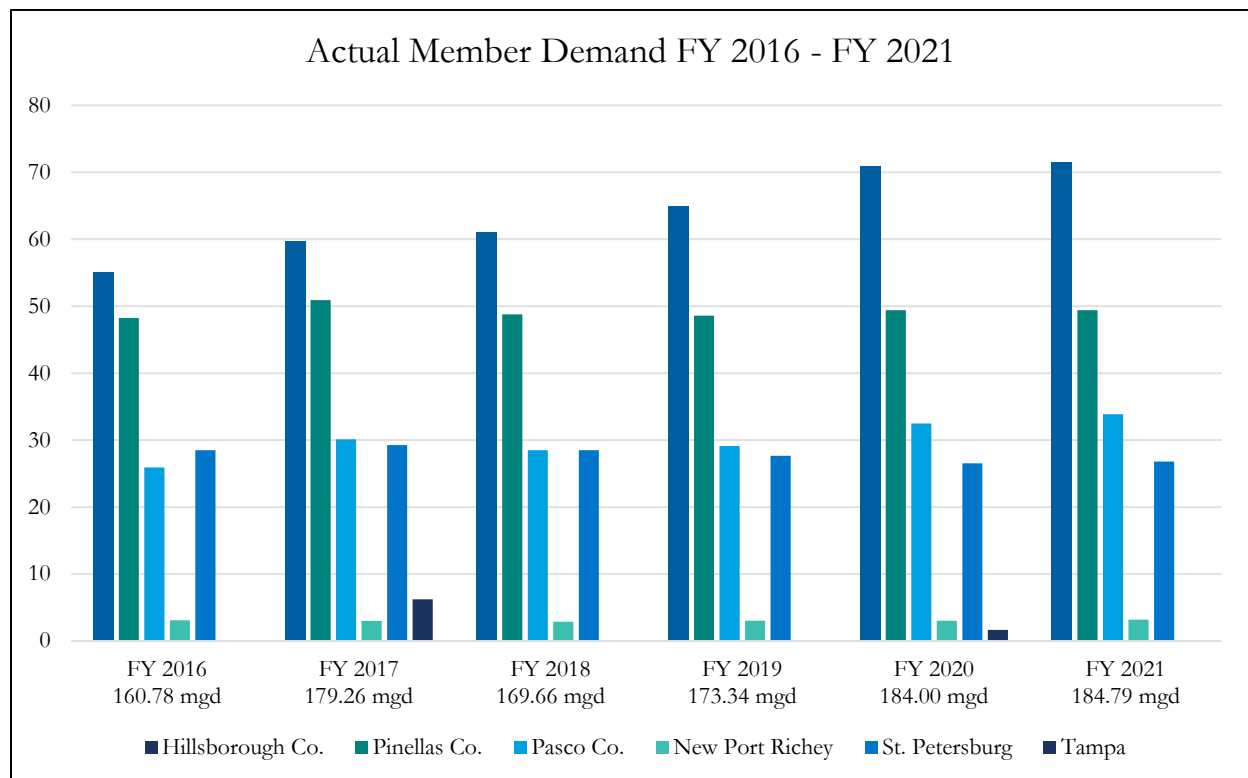
Projected Changes in Fund Equity – Fiscal Year 2023 Budget

	Operations	Operating Reserve	Renewal & Replacement Fund	Capital Improvement Fund	Energy Fund	Utility Reserve Fund	Sinking Fund (Interest/Principal)	Sinking Fund (Debt Service Reserve)	Rebate Fund	Rate Stabilization Account	Total Enterprise Funds
Estimated Beginning Balance	\$15,008,187	\$5,304,024	\$22,645,782	\$26,034,944	\$161,184	\$30,811,788	\$55,206,408	\$71,462,851	\$ -	\$27,821,310	\$254,456,478
Revenues											
Water Sales	185,847,755										185,847,755
Water Sales – Tampa Bypass Canal	392,000										392,000
Interest Earned	114,062	40,311	172,108	197,866	1,225	234,170	419,569	540,671		211,442	1,931,424
Lake Bridge O&M – Pasco	42,000										42,000
Expenditures											
Fixed Costs	(73,870,545)										(73,870,545)
Variable Costs	(31,824,144)										(31,824,144)
Debt Service – Bonds							(69,662,926)				(69,662,926)
Debt Service – Acquisition Credits	(10,231,558)										(10,231,558)
Water Quality Credits	(48,000)										(48,000)
Capital Project Expenditures											
Capital Improvement Projects				(11,934,841)							(11,934,841)
Renewal & Replacement Projects			(9,329,291)								(9,329,291)
Energy Projects											
Grants											
Interfund Transfers											
Interest	1,817,362	(40,311)	(172,108)	(197,866)	(1,225)	(419,569)	(540,671)	(234,170)		(211,442)	-
Interest & Principal Accounts	(70,285,137)						70,285,137				-
Rate Stabilization Account	4,046,205									(4,046,205)	-
Renewal & Replacement Fund	(6,000,000)		6,000,000								-
Capital Improvement Fund											
Estimated Ending Balance	\$15,008,187	\$5,304,024	\$19,316,491	\$14,110,103	\$161,184	\$30,811,788	\$55,868,619	\$71,462,851	\$ -	\$23,775,105	\$235,808,352

Tampa Bay Water – 2023 Annual Budget Financial Plan

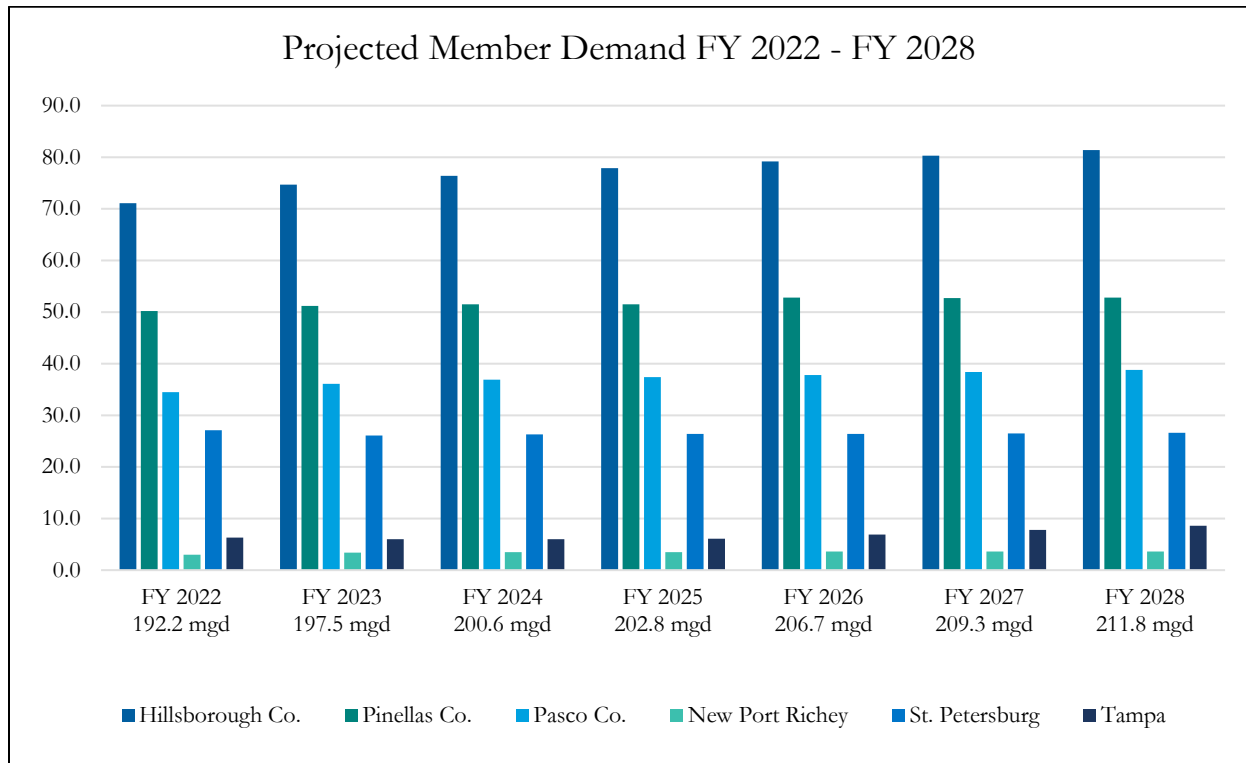
Financial Planning and Trends

The Master Water Supply Contract requires Agency Members to annually provide a five-year estimate of projected water service demand for their respective service areas. Additionally, the Agency utilizes various demand forecasting tools to provide five-year water service demand projections for its Members' service areas. These projections take into consideration relevant factors such as historical rainfall patterns, demographics, population growth, and conservation measures. This information is utilized by management in developing the annual budget and five-year budget projections.



The Tampa Bay Region began to see an upturn in growth starting in 2016, largely within Hillsborough and Pasco County's service areas. Pinellas County's demand decreased slightly when the county lost wholesale water customers. The City of Tampa was able to supply their service area, in the past five years, without purchasing any water from Tampa Bay Water except for 2017 and 2020.

Tampa Bay Water – 2023 Annual Budget Financial Plan



Tampa Bay Water provides regional water demand forecasts for its six-member governments to project the amount of water supply needed within Tampa Bay Water’s service area. The agency’s Long-term Demand Forecasting models are designed primarily for the purpose of long-term planning and forecasting over a 20-30-year horizon.

Member demand for fiscal year 2022 and future demand projections are based on average rainfall years. It is also projected that economic growth will be moderate resulting in gradual population growth and economic development for the Tampa Bay Region.

Tampa Bay Water – 2023 Annual Budget

Financial Plan

Below is the projected member government demands for fiscal year 2022 through fiscal year 2028 in million gallons per day (mgd) and in percentage of overall demand for the fiscal year.

	Hillsborough Co.	Pinellas Co.	Pasco Co.	New Port Richey	St. Petersburg	Tampa	Total
FY22 – mgd	71.10	50.20	34.50	3.00	27.10	6.30	192.20
FY22 - %	36.99%	26.12	17.95	1.56%	14.10%	3.28%	100%
FY23 – mgd	74.70	51.20	36.10	3.40	26.10	6.00	197.50
FY23 - %	37.82%	25.92	18.28	1.72%	13.22%	3.04%	100%
FY24 – mgd	76.40	51.50	36.90	3.50	26.30	6.00	200.60
FY24 - %	38.09%	25.67	18.39	1.74%	13.11%	2.99%	100%
FY25 – mgd	77.90	51.50	37.40	3.50	26.40	6.10	202.80
FY25 - %	38.41%	25.39	18.44	1.73%	13.02%	3.01%	100%
FY26 – mgd	79.20	52.80	37.80	3.60	26.40	6.90	206.70
FY26 - %	38.32%	25.54	18.29	1.74%	12.77%	3.34%	100%
FY27 – mgd	80.30	52.70	38.40	3.60	26.50	7.80	209.30
FY27 - %	38.37%	25.18	18.35	1.72%	12.66%	3.73%	100%
FY28 – mgd	81.40	52.80	38.80	3.60	26.60	8.60	211.80
FY28 - %	38.43%	24.93	18.32	1.70%	12.56%	4.06%	100%
FY22-FY28 Total mgd	541.00	362.70	259.9	24.20	185.40	47.70	1,420.90
FY22-FY28 Total %	38.07%	25.53	18.29	1.70%	13.05%	3.36%	100%

Long-term Master Water Plan

Tampa Bay Water’s Board of Directors approved the original Master Water Plan in December 1995. The Tampa Bay Water Board of Directors approves projects for implementation that are environmentally sustainable, technically sound, and economically feasible. In November 1998, the Board approved System Configuration I of the Master Water Plan for implementation. This \$680 million program was co-funded by the Southwest Florida Water Management District (District) in the amount of \$183 million and included the addition of surface water and desalinated seawater to the Tampa Bay Water system.

System Configuration II of the Master Water Plan was completed in 2011. This program involved expanding the treatment and pumping capacity of Tampa Bay Water’s Regional Surface Water Treatment system. It is estimated that the Tampa Bay Water Regional System, including the System Configuration II enhancements, will meet the Member Governments’ water supply needs for the next 10 years. The District, the Tampa Bay-area Basin Boards, and the State funded \$122 million of the \$226 million System Configuration II capital costs.

Tampa Bay Water – 2023 Annual Budget Financial Plan

The original Master Water Plan also includes public information and involvement along with a demand management component to reduce anticipated potable demand across the region. Tampa Bay Water worked closely with its member governments to ensure that projected annual average potable demand was reduced by 10 million gallons per day by 2000, and that a total potable demand reduction of 18 mgd was achieved by 2005. Additional reduction of projected demand by 6 mgd due to active potable conservation programs was achieved through 2018, to a total of at least 24 mgd for the region (actual demand reductions can occur through both active and passive savings). The Board also approved the implementation of the regional 2018 Demand Management Plan. The Demand Management Plan identifies potential conservation initiatives of around 11 mgd that could further delay the need for new regional supply.

An update to the Long-Term Master Water Plan is conducted every five years. The latest update to the Long-Term Master Water Plan was completed in 2018. The latest updated of the Plan identified that:

- Approximately 20 million gallons per day (mgd) of new supplies need to be developed during this planning horizon, and
- Approximately 10 mgd of this 20 mgd will need to be brought online by 2028.

By approving the Long-Term Master Water Plan 2018, the Board directed that the Agency conducts feasibility studies on the top-three ranked projects identified in the Plan and recommended for further study. Those projects are:

- South Hillsborough Wellfield (New Wellfield via South Hillsborough Aquifer Recharge Project (SHARP) Credits)
- Desalination Water Treatment Plant Expansion with Existing Source Water
- Surface Water Treatment Plant Expansion with Existing Source Water

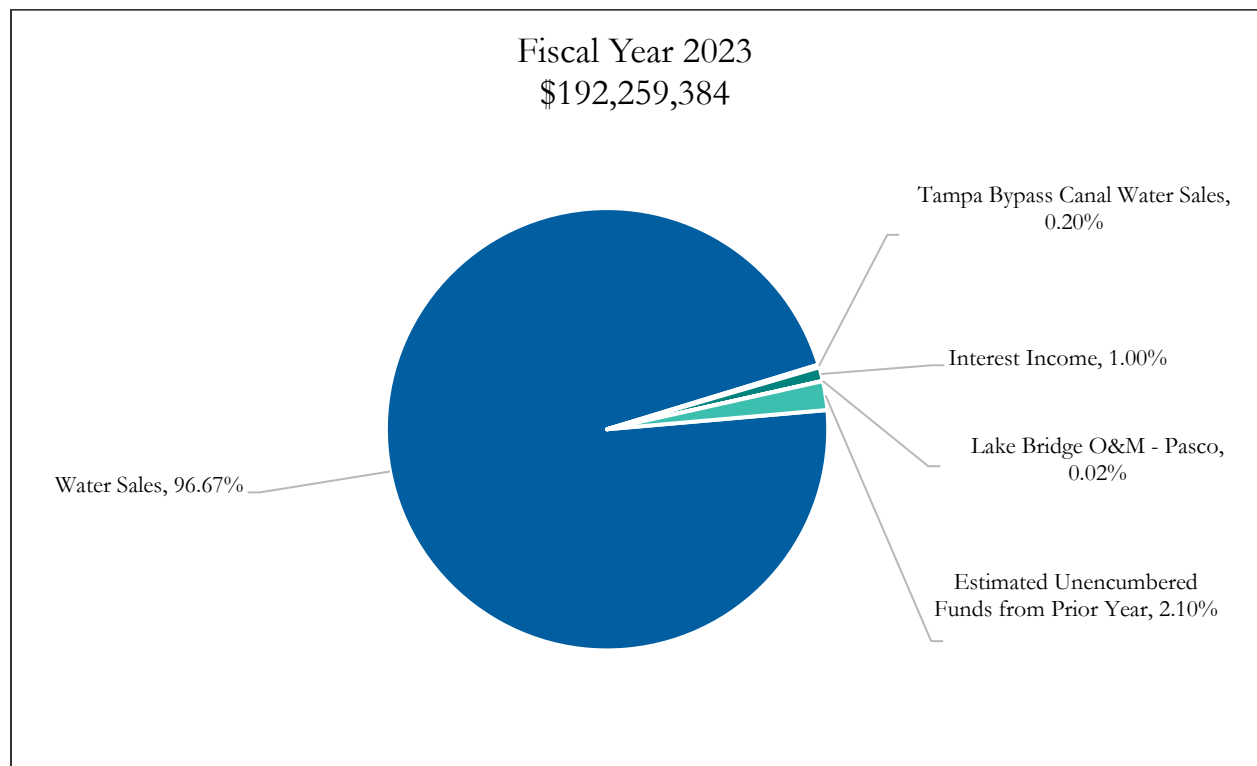
Detailed feasibility evaluations on these projects are to be completed in fiscal year 2022. The Board is anticipated to select the next water supply configuration by December 2022 for implementation, so that the identified drinking regional water needs will be met by 2028.

Tampa Bay Water – 2023 Annual Budget Financial Plan

Revenues

The Agency's primary revenue source is sale of water to its six-member governments. The Master Water Supply Contract establishes a budget process through which the Agency establishes an annual Uniform Rate which is charged to the Members. A fixed cost component of the rate is established and billed monthly to recover the defined fixed costs of the Agency based on the Members' pro rata share of production. A variable cost component of the rate is established and billed monthly based on the current month's production to recover the defined variable operating costs: primarily power, chemicals, and purchased water. Contract terms require that rates collected be sufficient to pay the annual water system operating and maintenance costs, annual debt service, and purchase of operating equipment, net of other available revenue sources. Rates must also be sufficient to fund required reserves and to provide adequate levels of working capital through the Utility Reserve and Operating Reserve Funds.

Where the Money Comes From ...

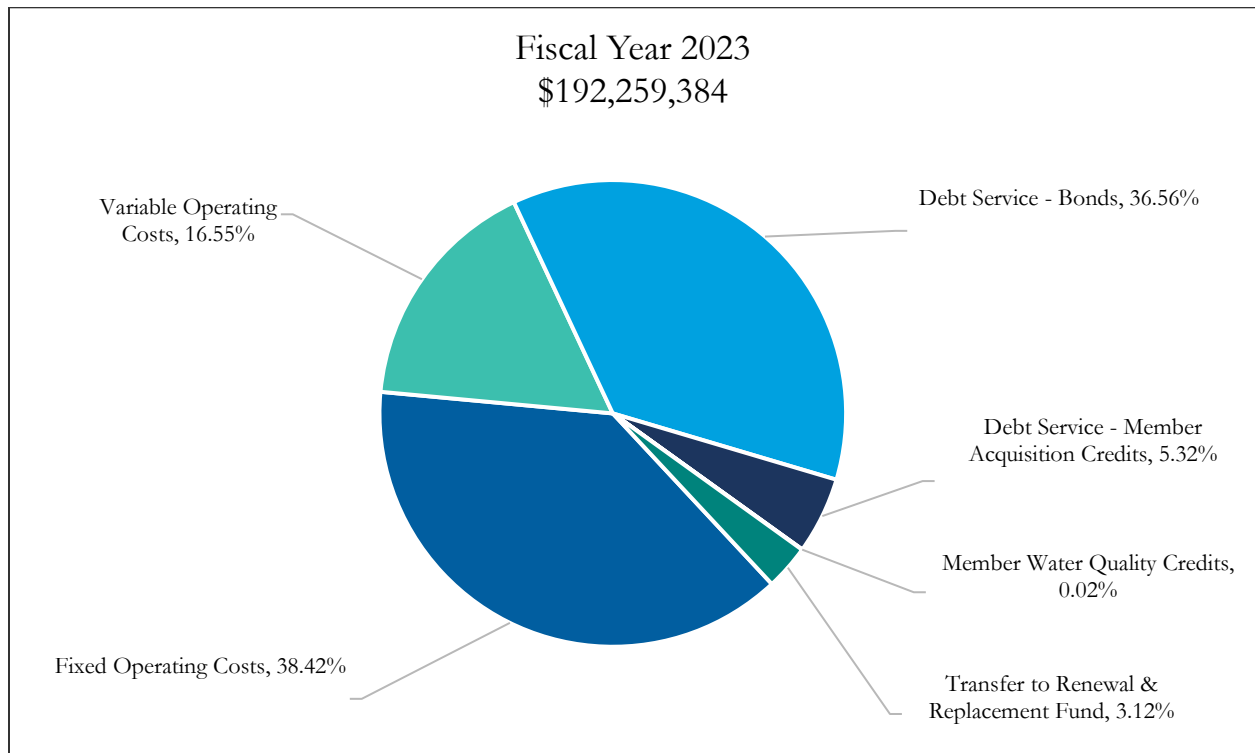


Tampa Bay Water – 2023 Annual Budget Financial Plan

Expenditures

Expenditure levels are established annually for operating and maintenance costs based on projected water service demands, permit and compliance requirements, and equipment needs. Expenditures are also budgeted to make debt service payments, to satisfy bond covenant and reserve funding requirements, and to fund capital improvement costs not funded by borrowing or grants. Purchasing is conducted in accordance with the Agency's purchasing policies which prescribe procedures to obtain competitive pricing when appropriate.

Where the Money Goes ...



Balanced Budget

Tampa Bay Water's annual budget is balanced. Our projected revenue covers projected operating costs and other financial requirements for the ensuing fiscal year.

Tampa Bay Water – 2023 Annual Budget
Financial Plan

Sources and Uses of Funds – Actuals 2021, Approved 2022 and Approved 2023

Enterprise Funds	Actual FY 2021	Approved FY 2022	Approved FY 2023
Sources of Funds			
Water Sales	\$ 172,533,037	\$ 179,831,324	\$ 185,847,755
Additional Credits/Surcharges	68,788	42,000	42,000
Sale of Tampa Bypass Canal Water	399,573	392,000	392,000
Interest Income	2,943,657	1,937,652	1,931,424
Litigation & Insurance Recoveries	36,841	-	-
Grants	2,593,990	-	-
Miscellaneous Income	288,738	-	-
Sub-total	\$ 178,864,624	\$ 182,202,976	\$ 188,213,179
Transfer in from Rate Stabilization Account	13,141,058	-	-
Estimated Unencumbered Funds from Prior Year ¹	4,233,325	4,312,953	4,046,205
Transfer in from Renewal & Replacement Fund	4,003,941	-	-
Transfer in from Capital Improvement Fund	6,801,606	-	-
Transfer in from Energy Fund	6,318	-	-
Total Sources	\$ 207,050,870	\$ 186,515,929	\$ 192,259,384
Use of Funds			
Personnel Services ²	\$ 16,832,326	\$ 24,532,227	\$ 23,728,800
Materials & Supplies	2,376,391	3,149,440	3,474,026
Professional Services	30,932,673	35,674,334	33,990,491
Repairs & Other Services	6,392,770	6,444,765	8,349,824
Rent & Insurance	2,025,442	2,360,279	2,512,379
Legal Services	363,802	555,000	655,000
Capital Expenditures	2,117,256	1,683,944	1,160,025
Debt Service – Bonds	70,093,840	71,153,640	70,285,137
Debt Service – Acquisition Credits	10,231,558	10,231,558	10,231,558
Member Water Quality Credits	48,000	48,000	48,000
Capital Improvement Program Projects	7,344,077	-	-
Water Treatment Chemicals – Variable Cost	10,579,523	13,397,656	15,899,383
Power/Electricity – Variable Cost	11,893,161	15,384,286	15,390,261
Water for Resale – Variable Cost	528,245	500,800	534,500
Sub-total	\$ 171,759,062	\$ 185,115,929	\$ 186,259,384
Transfer out to Rate Stabilization Account	22,824,782	-	-
Transfer out to Renewal & Replacement Fund	3,333,679	1,400,000	6,000,000
Transfer out to Capital Improvement Fund	8,805,449	-	-
Transfer out to Energy Fund	260,453	-	-
Transfer out to Utility Reserve	67,445	-	-
Total Uses	\$ 207,050,870	\$ 186,515,929	\$ 192,259,384

¹ – FY 2023 estimated unencumbered funds from prior year is estimated at 2.25% of FY 2022 water sales revenue. Funds transfer through the rate stabilization account at year-end.

² – Lower than budgeted due to vacancies and no increase in health insurance rate

Tampa Bay Water – 2023 Annual Budget
Financial Plan

Sources and Uses of Funds – Budget Projections 2024 through 2028

Enterprise Funds	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028
Sources of Funds					
Water Sales	\$191,416,544	\$ 195,507,781	\$ 202,373,418	\$ 208,415,945	\$ 215,439,726
Additional Credits/Surcharges	42,000	42,000	42,000	42,000	42,000
Sale of Tampa Bypass Canal Water	392,000	392,000	392,000	392,000	392,000
Interest Income	1,913,979	1,929,001	1,943,128	1,996,497	1,994,217
Sub-total	\$ 193,764,524	\$ 197,870,782	\$ 204,750,546	\$ 210,846,442	\$217,867,493
Transfer in from Rate Stabilization Account	-	-	-	-	2,000,000
Estimated Unencumbered Funds from Prior Year ¹	3,716,955	4,295,105	4,887,695	5,565,269	5,939,744
Anticipated SWFWMD Grants	1,725,000	1,725,000	1,725,000	1,725,000	1,725,000
Total Sources	\$199,206,479	\$ 203,890,887	\$ 211,363,241	\$ 218,136,711	\$ 227,532,237
Use of Funds ²					
Personnel Services	\$ 24,677,952	\$ 25,665,070	\$ 26,691,673	\$ 27,759,340	\$ 28,869,713
Materials & Supplies	3,578,247	3,685,594	3,796,162	3,910,047	4,027,348
Professional Services	35,010,206	36,060,512	34,142,327	38,256,597	39,404,295
Repairs & Other Services	8,600,319	8,858,328	9,124,078	9,397,800	9,679,734
Rent & Insurance	2,587,750	2,665,383	2,745,344	2,827,705	2,912,536
Legal Services	674,650	694,890	715,736	737,208	759,325
Capital Expenditures	1,194,826	1,230,671	1,267,591	1,305,618	1,344,787
Debt Service – Bonds	69,720,943	74,412,287	75,473,139	83,550,816	86,342,099
Debt Service – Acquisition Credits	10,231,558	10,231,558	10,231,558	10,231,558	10,231,558
Member Water Quality Credits	48,000	48,000	48,000	48,000	48,000
Water Treatment Chemicals – Variable Cost	16,541,802	17,151,367	18,175,694	19,081,087	20,066,119
Power/Electricity – Variable Cost	14,789,692	14,620,176	18,36,876	19,429,350	20,227,091
Water for Resale – Variable Cost	550,535	567,051	584,063	601,584	619,632
Sub-total	\$ 188,206,479	\$ 195,890,887	\$ 204,363,241	\$ 217,136,711	\$ 224,532,237
Transfer out to Renewal & Replacement Fund	7,000,000	8,000,000	7,000,000	1,000,000	3,000,000
Transfer out Capital Improvement Fund	4,000,000	-	-	-	-
Total Uses	\$ 199,206,479	\$203,890,887	\$ 211,363,241	\$ 218,136,711	\$ 227,532,237

1 – Estimated unencumbered funds from prior year is estimated from 2% - 2.85% of the prior year water sales revenue. Funds transfer through the rate stabilization account at year-end.

2 – An inflation rate of 2.5% - 4% is used for future costs projections where staff believes this is appropriate.

3 – Estimated Series 2022 debt issuance payments start in FY 2025 and estimated Series 2024 debt issuance payments start in FY2027.

Tampa Bay Water – 2023 Annual Budget Financial Plan

Explanation of Significant Operating Expenditures Variances

Category	Approved FY 2022	Approved FY 2023	Variance	Explanation
Personnel Services	\$ 24,532,227	\$ 23,728,800	\$ (803,427)	GASB 68 FRS decrease
Materials & Supplies	3,149,440	3,474,026	324,586	Fixed Asset limit increased
Professional Services	35,674,334	33,990,491	(1,683,843)	Water quality studies & energy audits decreased
Repairs & Other Services	6,444,765	8,349,824	1,905,059	Radio repeaters, HVAC repairs, Ozone generator repair
Rent & Insurance	2,360,279	2,512,379	152,100	
Legal Services	555,000	655,000	100,000	
Capital Expenditures	1,683,944	1,160,025	(523,919)	Decrease in purchases
Debt Service – Bonds	71,153,640	70,285,137	(868,503)	Master Bond Tranche 3
Debt Service – Acquisition Credits	10,231,558	10,231,558	-	
Member Water Quality Credits	48,000	48,000	-	
Water Treatment Chemicals – Variable Cost	13,397,656	15,899,383	2,501,727	Increase in demand
Power/Electricity – Variable Cost	15,384,286	15,390,261	5,975	
Water for Resale – Variable Cost	500,800	534,500	33,700	
Total Operating Expenditures	\$ 185,115,929	\$ 186,259,384	\$ 1,143,455	

The approved budget for 2023 operating expenses increased \$1,143,455 from the approved 2022 budget.

The predominant significant increases in the 2023 budget are in Repairs and Other Services and Water Treatment Chemicals. The increase in Repairs and Other Services is mainly related to new regulations that require radio repeaters at facilities, ongoing repairs to existing HVAC systems and the unanticipated repairs of ozone generators at the Lithia H2S facility. The increase in Water Treatment Chemicals is due to increased demands.

Tampa Bay Water – 2023 Annual Budget Financial Plan

Capital Improvements Planning and Financing

Planning

New water supply projects are developed through the long-term water supply planning process, which is performed to ensure that (1) the public has sufficient water supplies to meet its needs in an environmentally sustainable and cost-effective manner, and (2) Tampa Bay Water is compliant with its obligations under the Amended and Restated Interlocal Agreement. It can take as long as 10 years to plan, permit, design, and build drinking water facilities. Tampa Bay Water develops its Master Water Supply Plans through this long-term planning effort. This process is a multi-step process including determination of need, identification of potential projects, feasibility studies, review, and selection by the Board of projects to be studied further through preliminary design, and final selection by the Board of projects to be constructed. Long-term water supply planning is conducted at least every five years. As part of the planning process, demand projections are updated annually to identify the need for and timing of the development of new water sources. It is the Agency's goal to bring new water supplies on-line in a timely manner based on need, but not so far in advance as to unnecessarily burden the cost of water by overbuilding supply capacity.

Financing

Tampa Bay Water finances its capital improvements program through the issuance of tax-exempt bonds. Bond proceeds are placed in a restricted Construction Fund until disbursed for the intended purpose. Certain small projects are funded from the Uniform Rate (Capital Improvement Charge) or other revenue sources approved by the Board to be utilized for that purpose. The funds are retained in the Capital Improvement Fund until disbursed for approved purposes. The Agency also seeks and obtains available grant funding for its projects from SWFWMD, the State of Florida and the federal Environmental Protection Agency.

Tampa Bay Water's current Capital Improvement Program is funded primarily through the issuance of Revenue Bonds. The Capital Improvement Fund may be used to fund any Board approved Capital Project. The Renewal and Replacement Fund can fund projects where major repairs or replacement of specific components are needed to maintain the service level of the system. The Uniform Rate generally funds projects that improve existing facilities. Uniform Rate projects are considered routine and may include technological upgrades and facility remodeling/renovations.

Tampa Bay Water – 2023 Annual Budget

Financial Plan

Capital Improvement Program Definition

A capital project is defined as planned activities that result in

- a new capital asset or improvements to an existing asset.
- major renovations or expansions that extend an existing asset's useful life and/or result in a significant improvement in its functionality or capacity.

Capital projects are recorded in Tampa Bay Water's financial records in accordance with generally accepted accounting principles and applicable Florida State statutes.

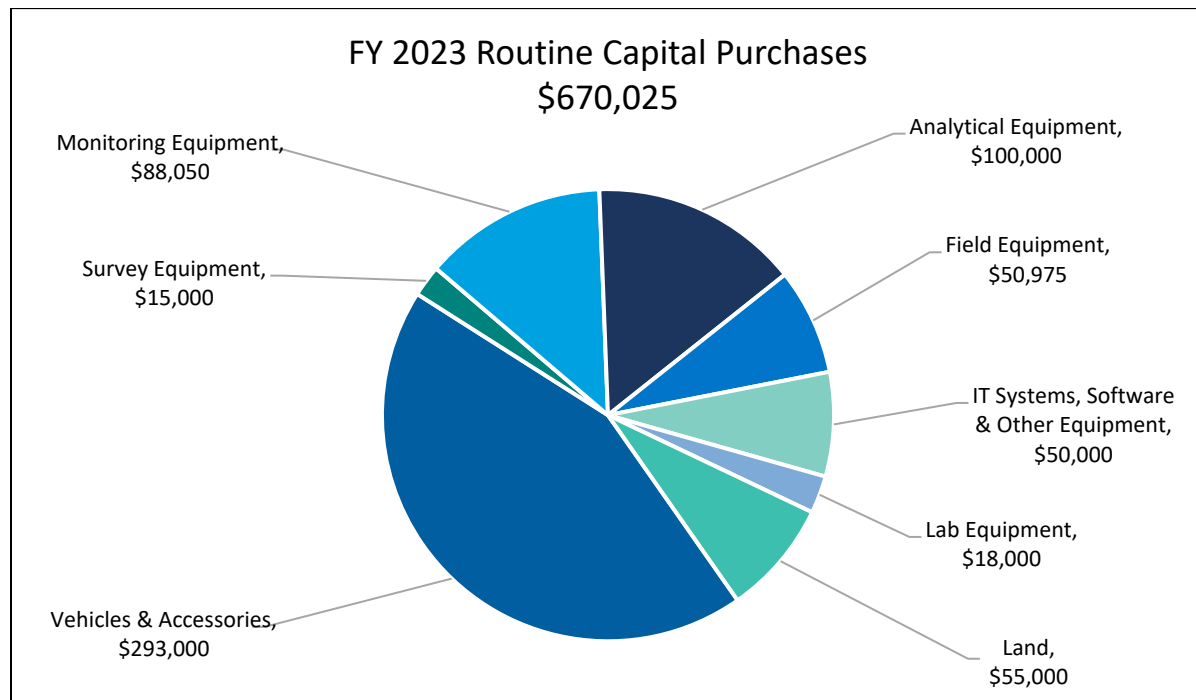
Approved projects can include projects constructed for the benefit of member governments or other government agencies. If Tampa Bay Water does not retain ownership of the completed project, it is accounted for as a contribution to the respective entity.

Routine Capital Purchases

It is Tampa Bay Water's policy to capitalize property and equipment having an original cost greater than \$5,000 and an estimated useful life longer than one year. Property and equipment routinely capitalized includes land, buildings and their structural components, vehicles, machinery, electronic and communication equipment, tools, office equipment, and furniture.

The 2023 budget includes \$1,160,025 for Capital Purchases of which \$670,025 is considered routine capital purchases. Tampa Bay Water budgets for routine capital equipment and real property purchases through the Uniform Rate.

The following chart summarizes routine capital purchases budgeted for fiscal year 2023.

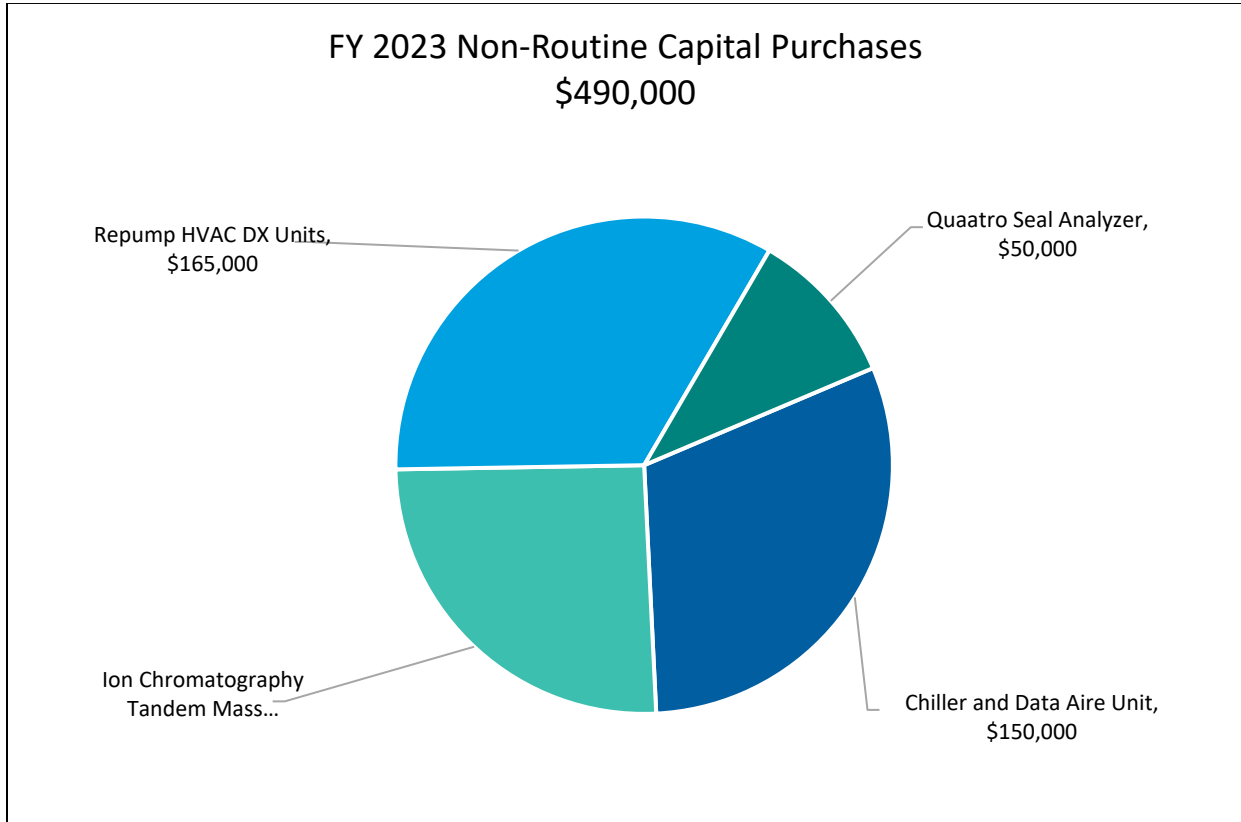


Tampa Bay Water – 2023 Annual Budget Financial Plan

Non-Routine Capital Purchases

The 2023 budget includes funding for non-routine capital purchases through the Uniform Rate.

The following chart summarizes non-routine capital purchases budgeted for fiscal year 2023.



Annual Rate Setting & Member Costs

Fiscal Year 2023

The Annual Rate Setting and Member Costs section provides summarized information and schedules including current and projected rates and Member costs. Charts and graphs are provided that depict the components of the budget and the rate impacts. Separate charts and schedules are provided for each Member Government to assist them in the planning and coordination of their budgets and financial obligations associated with Tampa Bay Water's contracts.

Tampa Bay Water – 2023 Annual Budget Annual Rate Setting and Member Costs

This section presents a summary of the budgeted components which make up the approved Uniform Rate and the way each Member will be invoiced for water purchased in 2023.

Overview

The “Uniform Rate” is the uniform dollars per 1,000 gallons wholesale rate charged to the Member Governments for the supply of water through a Fixed Cost and Variable Cost component. The Uniform Rate is based upon the annual estimate and the projected quantity of water expected to be delivered to customers. The only exception to the Uniform Rate for water supply is the rate charged to the City of Tampa for water supplied from the Tampa Bypass Canal. The annual True-up required by the Master Water Supply Contract provides for a year end adjustment in the Fixed Costs component of bills paid during the fiscal year. Each member’s pro-rata share of the Annual Estimate of Fixed Costs in effect during the fiscal year is adjusted based on the actual quantity of Quality Water delivered. Any adjustments are payable within sixty days of determination.

The Amended and Restated Interlocal Agreement includes provisions for two credits which are currently being applied against charges to Member Governments for water service. The annual credit for the debt service amortization for Tampa Bay Water’s purchase of the Members’ water supply facilities is the most significant credit. This credit is applied to the Member Governments’ water bills. The credit is reflected in the budget as an annual debt service cost and is also reflected as a credit against the member’s cost to purchase water. The annual debt service/credit is computed on a 30-year amortization of the net purchase price, compounded semiannually at 4.865%. The aggregate annual debt service cost/credit is \$10,231,558. Additional annual credits consist of a credit for the actual direct costs of water treatment. In the event water delivered to Member Governments does not meet specifications for quality water in relation to hydrogen sulfide removal, a credit for hydrogen sulfide treatment is applied. Hydrogen sulfide was and remains an issue for the existing groundwater system, but not for the new supply sources. The water quality credit for hydrogen sulfide treatment affects the City of New Port Richey, and Hillsborough County. The total annual Water Quality credit for hydrogen sulfide for fiscal year 2023 is \$48,000.

The primary source of revenue to Tampa Bay Water is the sale of quality water to our members. The projected revenue requirements must cover operation and maintenance expenses, debt service payments, bond coverage, required deposits to reserves, and capital expenditures. Revenue from sale of water and unrestricted interest income fund the operating and maintenance costs of Tampa Bay Water. Water sales for fiscal year 2023 are budgeted at \$185,847,755. Interest income available for operations is estimated to be \$1,931,424. It is estimated that \$4,046,205 of unencumbered monies from fiscal year 2022 will be transferred through the Rate Stabilization account for use in fiscal year 2023. The Tampa Bypass Canal sale of water represents the estimated billing to the City of Tampa for its water needs at the Tampa Bypass Canal facility at a rate of .195 per 1,000 gallons for 2023.

Tampa Bay Water – 2023 Annual Budget Annual Rate Setting and Member Costs

Rate Setting

Pursuant to the Master Water Supply Contract, Tampa Bay Water establishes an Annual Estimate based on Tampa Bay Water's budget for the ensuing fiscal year, which sets forth the expected cost of providing water service to Member Governments. Tampa Bay Water is required to develop the Rate (\$/1,000 gallons), based on the Annual Estimate and the projected quantity of Quality Water to be delivered to Member Governments during the ensuing fiscal year. In accordance with the provisions of the Interlocal Agreement, a separate rate, based on actual costs incurred and allocated overhead, is charged to the City of Tampa for water supplied from the Tampa Bypass Canal.

The Uniform Rate to be charged in a fiscal year to the Member Governments for water service may include the following components:

Operation, Maintenance and Administrative Costs – These costs are the costs of operating, maintaining and administering the system in such fiscal year.

Debt Service Charges – Debt Service Charges relating to any of Tampa Bay Water's Obligations are based on principle, redemption premium, if any, and interest coming due on debt in the fiscal year.

Renewal and Replacement Fund – Tampa Bay Water is required to maintain an amount equal to five (5) percent of the prior fiscal year's Gross Revenues or such other amount as is certified by the Consulting Engineer. These funds are available to be used for repair and replacement of the System.

Capital Improvement Charges – These charges are based on the amount identified for capital improvement charges in Tampa Bay Water's Annual Estimate for the fiscal year.

Operating Reserve Funds – These funds are provided in the annual budget to maintain a reserve balance equal to two times the monthly average variable costs as provided in the budget.

Rate Stabilization Fund – Operation, Maintenance and Administrative Costs may be utilized to fund a rate stabilization fund.

Tampa Bay Water – 2023 Annual Budget Annual Rate Setting and Member Costs

Uniform Rate Elements

The Uniform Rate consists of two components: a Fixed Cost component and a Variable Cost component. The Fixed Cost component is designed to recover annual costs and expenses associated with the operation, maintenance, management, security, development, and financing of the System, other than those included as part of the Variable Cost component. The Variable Cost component is designed to recover costs and expenses for the operation, maintenance and management of the System that change in direct proportion to changes in the volume of Quality Water produced by Tampa Bay Water. The Variable Cost component includes, but is not limited to, the costs of power, chemicals, and water purchases.

Fixed Costs

The Uniform Rate calculation is based on the total Net Annual Revenue Requirement for the fiscal year for which the rate is established and the projected amount of Quality Water, in millions of gallons per day, to be delivered to Member Governments during such fiscal year. For the purposes of the Uniform Rate calculation, the Fixed Costs for the fiscal year selected are defined as:

$$\text{Fixed Costs} = \text{Net Annual Revenue Required} - \text{Budgeted Variable Costs}$$

The Net Annual Revenue Requirement for the fiscal year selected (also referred to as Annual Estimate for purposes of rate computation) is calculated by making the necessary adjustments to the annual budget requirement. Such adjustments include, but are not limited to, estimated interest income, budgeted transfers from various funds (i.e., Rate Stabilization Account, Operating Reserve Fund, etc.), capitalized interest available for debt service, potential funding assistance from SWFWMD/EPA, and estimated revenues from the sale of surface water to the City of Tampa.

Variable Costs

Pursuant to the Master Water Supply Agreement, Tampa Bay Water is required to establish a variable rate to cover costs associated primarily with power, chemicals, and water purchases. The variable rate (\$/1,000 gallons) is defined as the ratio of the total budgeted Variable Costs to the total Net Annual Revenue Requirement, applied to the Uniform Rate.

$$\text{Variable Rate} = (\text{Budgeted Variable Costs} / \text{Net Annual Revenue Required}) \times \text{Uniform Rate}$$

**Tampa Bay Water – 2023 Annual Budget
Annual Rate Setting and Member Costs**

Rate for City of Tampa from Tampa Bypass Canal (TBC)

Pursuant to Section 3.08(D) of the Interlocal Agreement, the rate charged for water delivered to the City of Tampa from the Tampa Bypass Canal (TBC) facility should be equal to Tampa Bay Water's direct cost of operating the TBC and allocated overhead. As part of its annual budget development process, Tampa Bay Water prepares an estimate of direct cost and allocated overhead associated with the Tampa Bypass Canal facility using the projected quantity of water to be delivered to the City of Tampa from the facility during the ensuing fiscal year.

$$\text{TBC Rate} = (\text{Allocated Overhead} + \text{Direct Costs}) / \text{Quantity of Surface Water (to be delivered)}$$

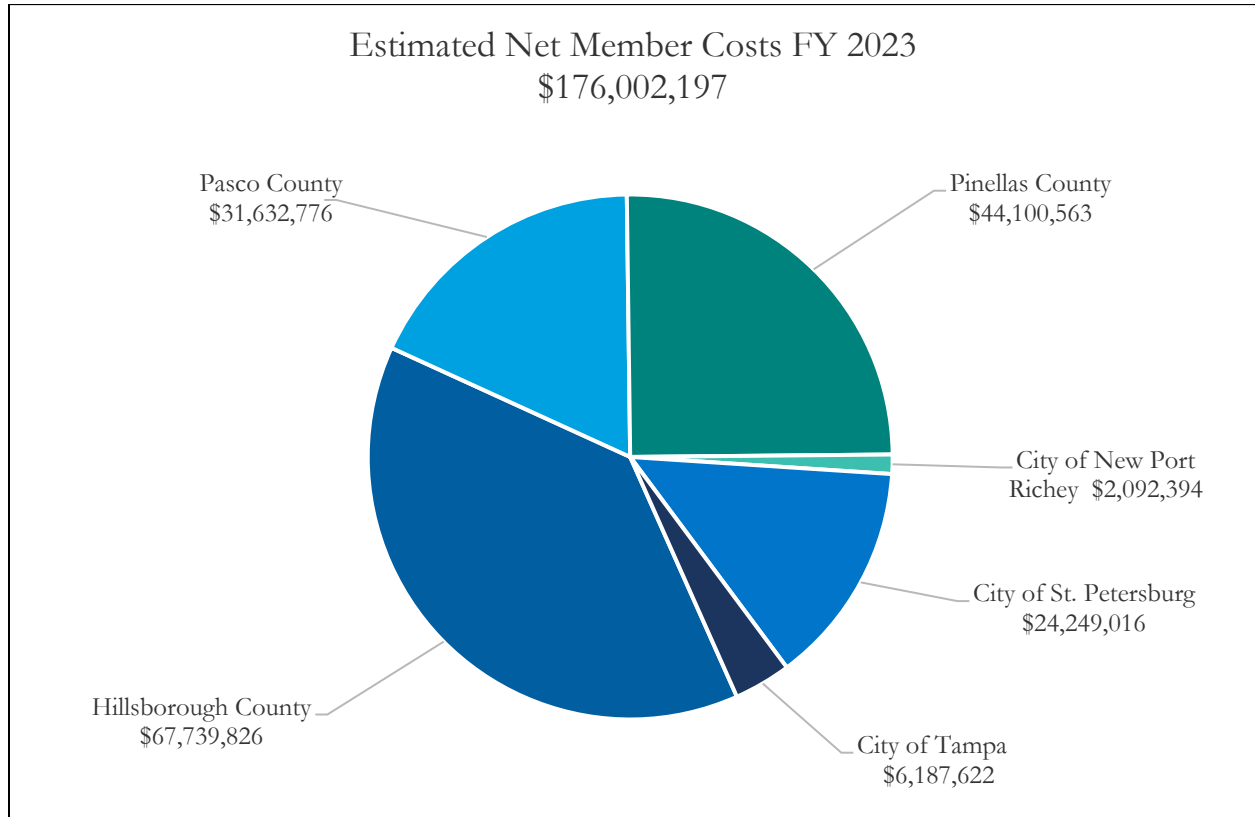
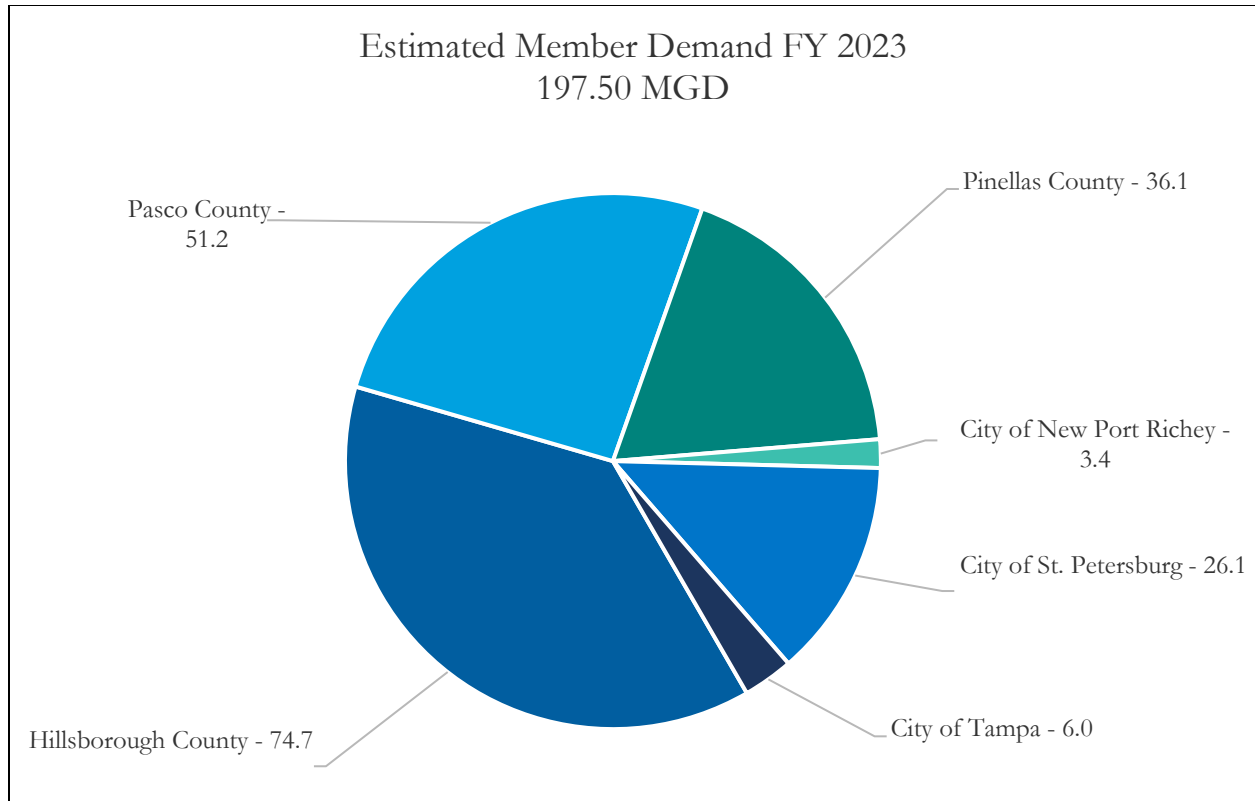
The unit rate for delivery of water to the City of Tampa from the Tampa Bypass Canal facility is presented to the Board for approval as part of the annual budget approval process for the ensuing fiscal year. The rate for 2023 is \$.195 (\$/1,000 gallons).

	<u>Allocated Overhead</u>		<u>Direct Costs</u>		<u>Estimated MGD</u>
\$0.195 per 1,000 gallons	=	433,790	+	250,328	= 9.6 mgd x 365 x 1,000

Other Budget Factors

- For fiscal year 2023, \$1,931,424 has been estimated for interest income. Interest income will be applied to offset projected expenditures, to the extent permitted.
- The fund balance in the Operating Reserve will be equal to two times the monthly average variable costs as provided in the budget. A deposit of an estimated \$423,567 will be transferred from the Rate Stabilization account to the Operating Reserve account on 10/1/2022.
- The Uniform Rate is segregated into Fixed Costs (do not vary because of water production) and billed at 1/12 of total Fixed Costs monthly per Member. The Variable Costs (vary with water production); electricity, chemicals, and water for re-sale; are billed monthly based on actual production.
- Acquired Member facilities are included in this budget as Tampa Bay Water owned supply systems and are being paid for through debt issuance and facility acquisition credits back to Members.
- Water quality standards are established, and costs are budgeted to sustain the standards. Water Quality Credits related to hydrogen sulfide removal for fiscal year 2023 have been established and will be credited to Hillsborough County, and New Port Richey

**Tampa Bay Water – 2023 Annual Budget
Annual Rate Setting and Member Costs**



**Tampa Bay Water – 2023 Annual Budget
Annual Rate Setting and Member Costs**

Uniform Rates

Category	Approved FY 2023	Projected FY 2024 ¹	Projected FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028 ¹
Fixed Operating Costs	\$ 73,870,545	\$ 76,323,949	\$ 78,860,447	\$ 81,482,911	\$ 84,194,316	\$ 86,997,738
Variable Operating Costs	31,824,144	31,882,029	32,338,594	37,127,632	39,112,022	40,912,842
Debt Service – Bonds	70,285,137	69,720,943	74,412,287	75,473,139	83,550,816	86,342,098
Debt Service – Acquisition Credits	10,231,558	10,231,558	10,231,558	10,231,558	10,231,558	10,231,558
Interest Income	48,000	48,000	48,000	48,000	48,000	48,000
Total Costs	\$ 186,259,384	\$ 188,206,479	\$ 195,890,886	\$ 204,363,240	\$ 217,136,711	\$ 224,532,236
Adjustments						
Less: Estimated Unencumbered Funds from PY	(4,046,205)	(3,716,955)	(4,295,105)	(4,887,695)	(5,565,269)	(5,939,854)
Less: Estimated Credits/Surcharges	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)	(42,000)
Less: Estimated Revenue from Tampa Bypass Canal	(392,000)	(392,000)	(392,000)	(392,000)	(392,000)	(392,000)
Less: Estimated Interest Earned	(1,931,424)	(1,913,979)	(1,929,001)	(1,943,128)	(1,996,497)	(1,990,242)
Less: Transfer in from Rate Stabilization	-	-	-	-	-	(2,000,000)
Less: Grant Revenue (SWFWMD)	-	(1,725,000)	(1,725,000)	(1,725,000)	(1,725,000)	(1,725,000)
Plus: Transfer out to Renewal & Replacement Fund	6,000,000	7,000,000	8,000,000	7,000,000	1,000,000	3,000,000
Plus: Transfer out to Capital Improvement Fund	-	4,000,000	-	-	-	-
Sub-total	\$ (411,629)	\$ 3,210,066	\$ (383,106)	\$ (1,989,823)	\$ (8,720,766)	\$ (9,089,096)
Total Net Revenue Required	\$ 185,847,755	\$ 191,416,545	\$ 195,507,780	\$ 202,373,417	\$ 208,415,945	\$ 215,443,140
Projected Water Demand (mgd)	197.50	200.60	202.80	206.7	209.30	211.80
Projected Uniform Rate (\$/1,000)	\$ 2.5781	\$ 2.6072	\$ 2.6412	\$ 2.6824	\$ 2.7282	\$ 2.7792
Projected Uniform Rate difference over prior fiscal year - \$	\$ 0.0147	\$ 0.0291	\$ 0.0341	\$ 0.0412	\$ 0.0458	\$ 0.0511
Projected Uniform Rate difference over prior fiscal year - %	0.57%	1.13%	1.31%	1.56%	1.71%	1.87%
Projected Variable rate per 1,000 gallons	\$ 0.4415	\$ 0.4354	\$ 0.4369	\$ 0.4921	\$ 0.5120	\$ 0.5292
Percentage of uniform rate applied to variable costs	17.12%	16.70%	16.54%	18.35%	18.77%	19.04%

¹ – Leap Year – uniform rate calculated using 366 days

**Tampa Bay Water – 2023 Annual Budget
Annual Rate Setting and Member Costs**

Estimated Net Member Costs – Fiscal Year 2023

Uniform Rate Budget	Hillsborough County	Pasco County	Pinellas County	City of New Port Richey	City of St. Petersburg	City of Tampa	Total
Uniform Rate (\$/1,000)	\$ 2.5781	\$ 2.5781	\$ 2.5781	\$ 2.5781	\$ 2.5781	\$ 2.5781	\$ 2.5781
FY 2023 Projected Member Water Demand (mgd)	74.70	36.10	51.20	3.40	26.10	6.00	197.50
Percentage of FY 2023 Total Projected Water Demand (%)	37.8228 %	18.2785 %	25.9241 %	1.7215 %	13.2152 %	3.0380 %	100 %
Member Water Purchase FY 2022 (Mgd)	71.10	34.50	50.20	3.00	27.10	6.30	192.20
Percentage of FY 2022 Total Water Sales	36.9927 %	17.9501 %	26.1186 %	1.5609 %	14.0999 %	3.2778 %	100 %
Total Member Fixed Costs before Credits/Surcharges – FY 2023	\$ 56,977,516.87	\$ 27,647,318.31	\$40,228,851.57	\$ 2,404,114.64	\$ 21,717,168.88	\$ 5,048,640.74	\$ 154,023,611.00
Total Estimated Member Variable Costs – FY 2023	\$ 12,036,777.50	\$ 5,816,970.12	\$ 8,250,107.20	\$ 547,858.68	\$ 4,205,621.06	\$ 966,809.44	\$ 31,824,144.00
Total FY 2023 Member Costs Before Credits/Surcharges	\$ 69,014,294.37	\$ 33,464,288.43	\$ 48,478,958.78	\$ 2,951,973.32	\$ 25,922,789.93	\$ 6,015,450.17	\$ 185,847,755.00
Additional Board Approved Credits/Surcharges – FY 2023	\$ -	\$ 42,000.00	\$ -	\$ -	\$ -	\$ -	\$ 42,000.00
Sales of Tampa Bypass Canal Water – FY 2023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 392,000.00	\$ 392,000.00
Member Water Quality Credits – FY 2023	\$ (36,000.00)	\$ -	\$ -	\$ (12,000)	\$ -	\$ -	\$ (48,000.00)
Member Acquisition Credits – FY 2023	\$ (1,238,467.88)	\$ (1,873,512.61)	\$ (4,378,395.83)	\$ (847,578.83)	\$ (1,673,774.05)	\$ (219,828.35)	\$ (10,231,557.55)
Net Annual Member Estimated Costs – FY 2023	\$ 67,739,826.49	\$ 31,632,775.82	\$ 44,100,562.95	\$ 2,092,394.49	\$ 24,249,015.88	\$ 6,187,621.82	\$176,002,197.45

Variable costs are allocated based upon the Member Government's projected annual water demand (mgd) for FY 2023.

Fixed costs are billed to Member Governments in FY 2023 based upon the actual FY 2022 purchase and a true-up to the actual FY 2023 purchase is completed as FY 2023 year-end.

**Tampa Bay Water – 2023 Annual Budget
Annual Rate Setting and Member Costs**

Hillsborough County Estimated Costs FY 2023		
Total Water Demand (mgd) through September 30, 2022		192.20
Hillsborough County Water Demand (mgd) through September 30, 2022		71.10
Percentage of FY 2022 Total Water Demand (Applied to FY 2023 Fixed Costs)		36.99 %
Variable Rate is Based on Percentage of Projected FY 2023 Water Demand (mgd)		74.70
	Annual Billing	Monthly Billing
Fixed Cost Summary	\$ 56,977,516.87	\$ 4,748,126.41
Variable Rate (\$/1,000 gallons) = \$0.4415	12,036,777.50	1,003,064.79
Additional Credits/Surcharges	-	-
Tampa Bypass Canal Water Sales	-	-
Water Quality Credits – FY 2023	(36,000.00)	(3,000.00)
Member Acquisition Credits – FY 2023	(1,238,467.88)	(103,205.66)
Total Estimated Member Cost – FY 2023	\$ 67,739,826.49	\$ 5,644,985.54

**Tampa Bay Water – 2023 Annual Budget
Annual Rate Setting and Member Costs**

Pasco County Estimated Cost FY 2023		
Total Water Demand (mgd) through September 30, 2022		192.20
Pasco County Water Demand (mgd) through September 30, 2022		34.50
Percentage of FY 2022 Total Water Demand (Applied to FY 2023 Fixed Costs)		17.95 %
Variable Rate is Based on Percentage of Projected FY 2023 Water Demand (mgd)		36.10
	Annual Billing	Monthly Billing
Fixed Cost Summary	\$ 27,647,318.31	\$ 2,303,943.19
Variable Rate (\$/1,000 gallons) = \$0.4415	5,816,970.12	484,747.51
Additional Credits/Surcharges	42,000.00	3,500.00
Tampa Bypass Canal Water Sales	-	-
Water Quality Credits – FY 2023	-	-
Member Acquisition Credits – FY 2023	(1,873,512.61)	(156,126.05)
Total Estimated Member Cost – FY 2023	\$ 31,632,775.82	\$ 2,636,064.65

**Tampa Bay Water – 2023 Annual Budget
Annual Rate Setting and Member Costs**

Pinellas County Estimated Cost FY 2023		
Total Water Demand (mgd) through September 30, 2022		192.20
Pinellas County Water Demand (mgd) through September 30, 2022		50.20
Percentage of FY 2022 Total Water Demand (Applied to FY 2023 Fixed Costs)		26.12 %
Variable Rate is Based on Percentage of Projected FY 2023 Water Demand (mgd)		51.20
	Annual Billing	Monthly Billing
Fixed Cost Summary	\$ 40,228,851.57	\$ 3,352,404.30
Variable Rate (\$/1,000 gallons) = \$0.4415	8,250,107.20	687,508.93
Additional Credits/Surcharges	-	-
Tampa Bypass Canal Water Sales	-	-
Water Quality Credits – FY 2023	-	-
Member Acquisition Credits – FY 2023	(4,378,395.83)	(364,866.32)
Total Estimated Member Cost – FY 2023	\$ 44,100,562.95	\$ 3,675,046.91

**Tampa Bay Water – 2023 Annual Budget
Annual Rate Setting and Member Costs**

City of New Port Richey Estimated Cost FY 2023		
Total Water Demand (mgd) through September 30, 2022		192.20
City of New Port Richey Water Demand (mgd) through September 30, 2022		3.00
Percentage of FY 2022 Total Water Demand (Applied to FY 2023 Fixed Costs)		1.56 %
Variable Rate is Based on Percentage of Projected FY 2023 Water Demand (mgd)		3.40
	Annual Billing	Monthly Billing
Fixed Cost Summary	\$ 2,404,114.64	\$ 200,342.89
Variable Rate (\$/1,000 gallons) = \$0.4415	547,858.68	45,654.89
Additional Credits/Surcharges	-	-
Tampa Bypass Canal Water Sales	-	-
Water Quality Credits – FY 2023	(12,000.00)	(1,000.00)
Member Acquisition Credits – FY 2023	(847,578.83)	(70,631.57)
Total Estimated Member Cost – FY 2023	\$ 2,092,394.49	\$ 174,366.21

**Tampa Bay Water – 2023 Annual Budget
Annual Rate Setting and Member Costs**

City of St. Petersburg Estimated Cost FY 2023		
Total Water Demand (mgd) through September 30, 2022		192.20
City of St. Petersburg Water Demand (mgd) through September 30, 2022		27.10
Percentage of FY 2022 Total Water Demand (Applied to FY 2023 Fixed Costs)		14.10 %
Variable Rate is Based on Percentage of Projected FY 2023 Water Demand (mgd)		26.10
	Annual Billing	Monthly Billing
Fixed Cost Summary	\$ 21,717,168.88	\$ 1,809,764.07
Variable Rate (\$/1,000 gallons) = \$0.4415	4,205,621.06	350,468.42
Additional Credits/Surcharges	-	-
Tampa Bypass Canal Water Sales	-	-
Water Quality Credits – FY 2023	-	-
Member Acquisition Credits – FY 2023	(1,673,774.05)	(139,481.17)
Total Estimated Member Cost – FY 2023	\$ 24,249,015.88	\$ 2,020,751.32

**Tampa Bay Water – 2023 Annual Budget
Annual Rate Setting and Member Costs**

City of Tampa Estimated Cost FY 2023		
Total Water Demand (mgd) through September 30, 2022		192.20
City of Tampa Water Demand (mgd) through September 30, 2022		6.30
Percentage of FY 2022 Total Water Demand (Applied to FY 2023 Fixed Costs)		3.28 %
Variable Rate is Based on Percentage of Projected FY 2023 Water Demand (mgd)		6.00
	Annual Billing	Monthly Billing
Fixed Cost Summary	\$ 5,048,640.74	\$ 420,720.06
Variable Rate (\$/1,000 gallons) = \$0.4415	966,809.44	80,567.45
Additional Credits/Surcharges	-	-
Tampa Bypass Canal Water Sales	392,000	32,666.67
Water Quality Credits – FY 2023	-	-
Member Acquisition Credits – FY 2023	(218,828.35)	(18,319.03)
Total Estimated Member Cost – FY 2023	\$ 6,187,621.82	\$ 515,635.15

Debt Service

Fiscal Year 2023

The Debt Service section provides a listing of the outstanding debt of the Agency, the Agency's bond ratings, and the details of the debt requirements shown in the Financial Plan section. The section also provides information on debt coverage requirements and future Debt Service.

**Tampa Bay Water – 2023 Annual Budget
Debt Service**

Bonds

At the time of its reorganization in 1998, Tampa Bay Water issued the 1998A Bonds to refund all existing debt. In addition, the 1998B Bonds were issued to finance the cash component of the purchase of the members' wellfields. Of those proceeds, \$71.8 million, \$92.4 million, \$31.7 million, and \$3 million were paid to Pinellas County, City of St. Petersburg, City of Tampa and Pasco County, respectively. To address the increasing need to develop new water supplies, Tampa Bay Water and its member governments worked collectively to develop a Capital Improvement Program that would identify and develop new water sources capable of producing 111 million gallons per day (mgd) by December 31, 2007. With the development of the Capital Improvement Program came the necessity to incur debt as a means of financing the Board approved program. Accordingly, Tampa Bay Water adopted a long-term plan to accomplish the financing of the Capital Improvement Program. In furtherance of this plan, Tampa Bay Water has issued its revenue bonds Series 1999, 2001B, 2002, 2008, and 2013. Additional funds for the Capital Improvement Program were obtained from the Series 2001A, 2005 bond issues. Series 2011A, 2015A, 2015B, 2016A, 2016B, 2016C and the Master Bond: Tranche 1 (2020), Tranche 2 (2021) were only refunding bonds.

Master Bond, Tranche 3 (2023) is scheduled to close on July 6, 2023 and will refund the outstanding Series 2013.

Tampa Bay Water's projected outstanding bonds at 9/30/23 will consist of the following.

Original Issue Amount	Series	Projected Outstanding Balance	All-in True Interest Cost	Final Maturity	Purpose
309,370,000	Refunding Revenue Bonds, Series 2001A	50,000,000	5.13 %	2029	Partial defeasance of 1999 Bonds
174,965,000	Refunding Revenue Bonds, Series 2005	51,000,000	3.99 %	2024	Partial defeasance of 1998A, 1998B & 2001B Bonds, Fund 2005 Project
75,295,000	Revenue Bonds, Series 2013 ¹	0	3.88 %	2038	Fund Capital Improvement Program
180,835,000	Refunding Revenue Bonds, Series 2015A	180,835,000	3.07 %	2036	Partial defeasance of 2006, 2011A and 2011B Bonds
95,975,000	Refunding Revenue Bonds, Series 2015B	89,575,000	3.10 %	2031	Partial defeasance of 2011A and 2011B Bonds
96,630,000	Refunding Revenue Bonds, Series 2016A	96,630,000	3.52 %	2038	Defeasance of 2008 Bonds
32,785,000	Refunding Revenue Bonds, Series 2016B	31,155,000	3.54 %	2031	Partial defeasance of 2011B Bonds
55,345,000	Refunding Revenue Bonds, Series 2016C	55,345,000	2.12 %	2027	Partial defeasance of 2010 Bonds
6,709,000	Refunding Revenue Master Bond, Tranche 1 (2020)	6,388,000	3.08 %	2025	Advance refund balance of 2010 Bonds
46,662,000	Refunding Revenue Master Bond, Tranche 2 (2021)	31,291,000	2.38 %	2024	Advance refund balance of 2011A Bonds
76,220,000	Refunding Revenue Master Bond, Tranche 3 (2023) ¹	76,220,000	2.32 %	2038	Advance refund balance of 2013 Bonds
		\$ 668,439,000			

¹ – Scheduled to close July 6, 2023

**Tampa Bay Water – 2023 Annual Budget
Debt Service**

Rate Covenant

The Bond Resolution requires Tampa Bay Water to take all actions to collect Net Revenues in each fiscal year so that, together with Fund Balance, they equal at least 125% of the Annual Debt Service coming due in such fiscal year. Such Net Revenues must also be adequate in each fiscal year to pay at least 100% of:

- The Annual Debt Service coming due in such fiscal year;
- Any amounts required by the terms of the Bond Resolution to be deposited in the Reserve Account or with any issuer of a Reserve Account Letter of Credit or Reserve Account Insurance Policy;
- Any amounts to be deposited in the Renewal and Replacement Fund in such fiscal year; and
- Any amounts to be repaid to the Capital Improvement Fund in such fiscal year.

For the purposes of the Rate Covenant compliance calculations, the Total Debt Service is calculated, in accordance with the Bond Resolution, net of any Capitalized Interest and release of Debt Service Reserve. The Finance and Administration Division is responsible for making sure that the Uniform Rate adopted for any fiscal year complies with the Rate Covenants.

For the purposes of calculating the Rate Coverage test, Debt Coverage test and the Renewal and Replacement Fund (R&R) coverage requirements, the Net Revenues are determined as shown below.

Net Revenues = Gross Revenues - Operating Expenses

Rate Coverage Test

The minimum requirement for the Rate Coverage Test is 125% (i.e., the sum of Net Revenues and the Utility Reserve Fund Balance, on the preceding September 30th, shall be greater than or equal to 125% of the total Debt Service due for the Fiscal Year).

Rate Coverage Test = $\frac{\text{Net Revenues} + \text{Utility Reserve Fund Balance}}{\text{Total Debt Service}}$

Debt Coverage Test

The minimum requirement for the Debt Coverage Test is 100% (i.e., the Net Revenues shall be equal to or greater than the sum of Total Debt Service + Required Annual Contribution to the Capital Improvement Fund + Required Annual Contribution to the Renewal and Replacement Fund for the fiscal year).

Debt Coverage Test = $\frac{\text{Net Revenues}}{\text{Total Debt Service} + \text{Required Contribution to Capital Improvement Fund} + \text{Required Contribution to Renewal \& Replacement Fund}}$
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Tampa Bay Water – 2023 Annual Budget
Debt Service

Facility Acquisition Credits

In 1998, pursuant to the Interlocal Agreement, the Member Governments sold certain wellfield and transmission facilities to Tampa Bay Water. A portion of the purchase price is being paid in the form of “Facility Acquisition Credits” payable over 30 years. The credits are applied to the Members’ monthly bills.

Member Government’s Projected Outstanding Facility Acquisition Credit Balances

Member	Projected at 10/1/22	Projected at 9/30/23
Hillsborough County	\$ 6,280,055	\$ 5,357,474
Pasco County	9,500,257	8,104,607
Pinellas County	22,202,084	18,940,453
City of New Port Richey	4,297,925	3,666,532
City of St. Petersburg	8,487,417	7,240,560
City of Tampa	1,114,711	950,953
Total	\$ 51,882,449	\$ 44,260,578

Summary of Fiscal Year 2023 Debt Service

Bonds	Principal	Interest	Total
Refunding Revenue Bonds, Series 2001A	\$ -	\$ 3,000,000	\$ 3,000,000
Refunding Revenue Bonds, Series 2005	24,820,000	2,805,000	27,625,000
Revenue Bonds, Series 2013	-	2,764,934	2,764,934
Refunding Revenue Bonds, Series 2015A	-	7,611,150	7,611,150
Refunding Revenue Bonds, Series 2015B	930,000	2,723,234	3,653,234
Refunding Revenue Bonds, Series 2016A	-	4,356,688	4,356,688
Refunding Revenue Bonds, Series 2016B	260,000	1,079,780	1,339,780
Refunding Revenue Bonds, Series 2016C	-	2,767,250	2,767,250
Refunding Revenue Master Bond - Tranche 1 (2020)	149,000	147,563	296,563
Refunding Revenue Master Bond - Tranche 2 (2021)	15,466,000	722,822	16,188,822
Refunding Revenue Master Bond - Tranche 3 (2023)	266,000	415,717	681,717
Debt Service - Bonds	\$ 41,891,000	\$ 28,394,137	\$ 70,285,137
Hillsborough County	\$ 922,581	\$ 315,887	\$ 1,238,468
Pasco County	1,395,650	477,863	1,872,513
Pinellas County	3,261,631	1,116,765	4,378,396
City of New Port Richey	631,393	216,186	847,579
City of St. Peterburg	1,246,857	426,917	1,673,774
City of Tampa	163,758	56,070	219,828
Debt Service – Member Acquisition Credits	\$ 7,621,870	\$ 2,609,687	\$ 10,231,558
Total Fiscal Year 2023 Debt Service	\$ 49,512,870	\$ 31,003,824	\$ 80,516,695

Tampa Bay Water – 2023 Annual Budget
Debt Service

Rating Agency Analysis

Rating agencies provide an independent assessment of the relative credit worthiness of a municipal security. These agencies provide a letter grade that conveys their assessment of the ability of the borrower to repay the debt. These ratings are also a factor that is considered by the municipal bond market when determining the cost of borrowed funds (interest rate). The three nationally recognized rating agencies (Moody's Investor Services, Fitch Ratings, and Standard and Poor's) consider the following key factors when evaluating a debt offering:

- Economic environment - trend information/revenue to support debt
- Debt history - previous debt issued and current debt outstanding
- Debt management - debt planning and policies
- Administration- quality of Tampa Bay Water management and organizational structure
- Financial performance – Tampa Bay Water's current and historical operations

The rating agencies each utilize a different system to rate debt. Moody's uses modifiers 1 (higher end), 2 (mid-range) and 3 (lower end) to indicate ranking within each rating category. Both Fitch and Standard and Poor's use a plus (+) and minus (-) modifier to indicate status within rating category. The table below provides a comparison of their rating systems:

Description	Moody's	Fitch	Standard & Poor's
Highest Quality	Aaa	AAA	AAA
Very High Quality	Aa	AA	AA
High Quality	A	A	A
Medium Quality	Baa	BBB	BBB
Speculative Quality	Ba	BB	BB
Highly Speculative Quality	B	B	B
Substantial Risk	Caa	CCC	CCC
Very High Levels of Risk	Ca	CC	CC
Exceptionally High Levels of Risk	C	C	C
Default	N/A	D	D

Tampa Bay Water – 2023 Annual Budget
Debt Service

Tampa Bay Water's debt maintained its very high quality credit rating of AA+ from both Standard & Poor's and Fitch and Aa1 from Moody's with the issuance of the Series 2016A, 2016B and 2016C Bonds. The Agency has the second highest credit rating on rated bonds from all three rating agencies.

The following table summarizes the underlying ratings assigned to Tampa Bay Water's debt by the rating agencies at time of issuance based on the agency's credit. For the Master Bond, the agency will obtain a CUSIP number and credit rating any time after the funding of Tranche 3, at the request of the lender.

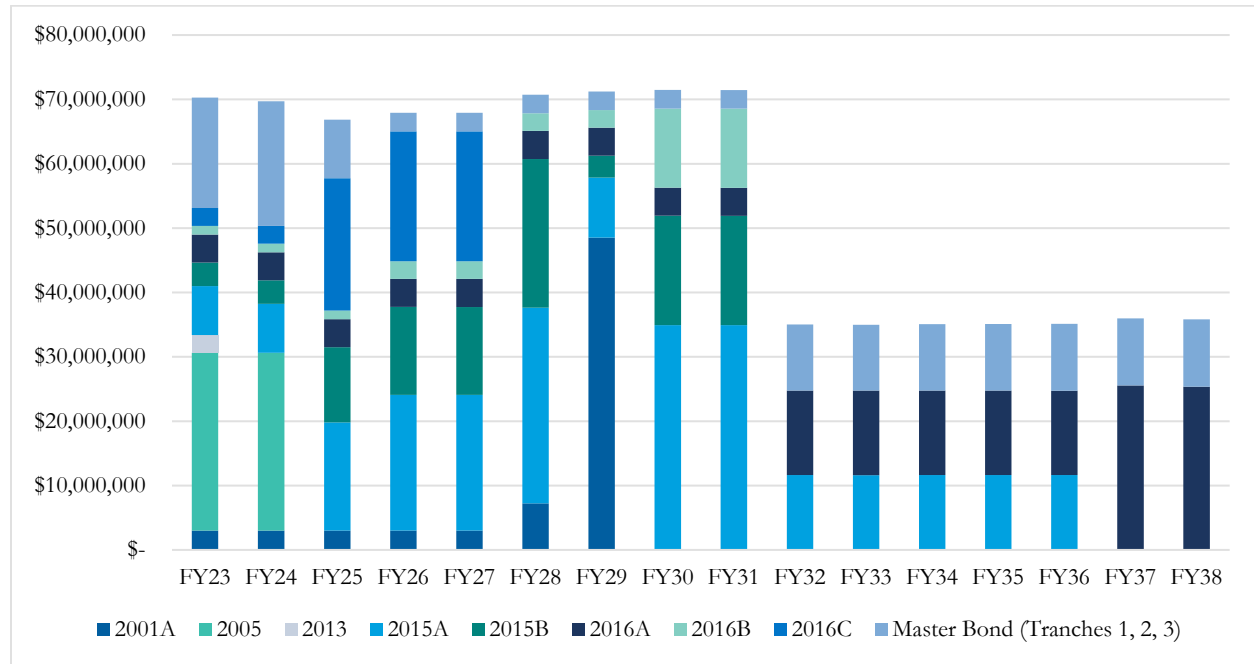
Outstanding Bond Issue	Moody's	Fitch	Standard & Poor's
Series 2001A	A1	AA -	A+
Series 2005	Aa3	AA -	A+
Series 2013	Aa2	AA+	AA+
Series 2015A	Aa1	AA+	AA+
Series 2015B	Aa1	AA+	AA+
Series 2016A	Aa1	AA+	AA+
Series 2016B	Aa1	AA+	AA+
Series 2016C	Aa1	AA+	AA+
Master Bond, Tranche 1	Not Yet Rated	Not Yet Rated	Not Yet Rated
Master Bond, Tranche 2	Not Yet Rated	Not Yet Rated	Not Yet Rated
Master Bond, Tranche 3	Not Yet Rated	Not Yet Rated	Not Yet Rated

Tampa Bay Water's 2001A and 2005 Bonds are insured by Financial Guaranty Insurance Company (FGIC) and at the time of issuance the insured ratings were AAA rated by the three rating agencies. In early 2008, the insurer's financial strength and ratings were downgraded by Moody's, Fitch and Standard & Poor's to ratings below those of Tampa Bay Water. Due to Tampa Bay Water's increasingly strong ratings, we have not seen any impact on the agency's debt. The Series 2013, 2015A, 2015B, 2016A, 2016B, and 2016C bonds are uninsured.

Tampa Bay Water – 2023 Annual Budget Debt Service

Outstanding Debt Service

The table below shows Tampa Bay Water’s annual debt service payments for the existing outstanding bonds at 9/30/23, including Tranche 3 of the Master Bond.



Future Borrowing

The Fiscal Year 2023 to Fiscal Year 2031 Capital Improvement Program shows a need for an estimated additional funding of \$725.4 million. An estimated \$130 million by fiscal year 2023, will be largely needed for projects to deliver water to the South Hillsborough County. Additional funding needed for maintaining the agency’s infrastructure, the next water supply configuration and water quality improvement projects is estimated at \$139 million by fiscal year 2025, \$306 million by fiscal year 2027, and \$150.4 million by fiscal year 2029. This additional funding does include placeholder amounts for the next water supply configuration and water quality improvement projects that are not yet fully defined or selected by the Board. Once the Board selects the next water supply configuration and determines which water quality projects to move forward with and their timing then the costs will be further defined, and the Capital Improvement Program placeholder amounts will be updated.

Capital Improvement Program

Fiscal Year 2023

The Capital Improvement Program section provides summary information about the Agency's current capital projects. This includes projects that are scheduled to be in the feasibility, design, and construction phases during fiscal year 2023.

Tampa Bay Water – 2023 Annual Budget Capital Improvement Program

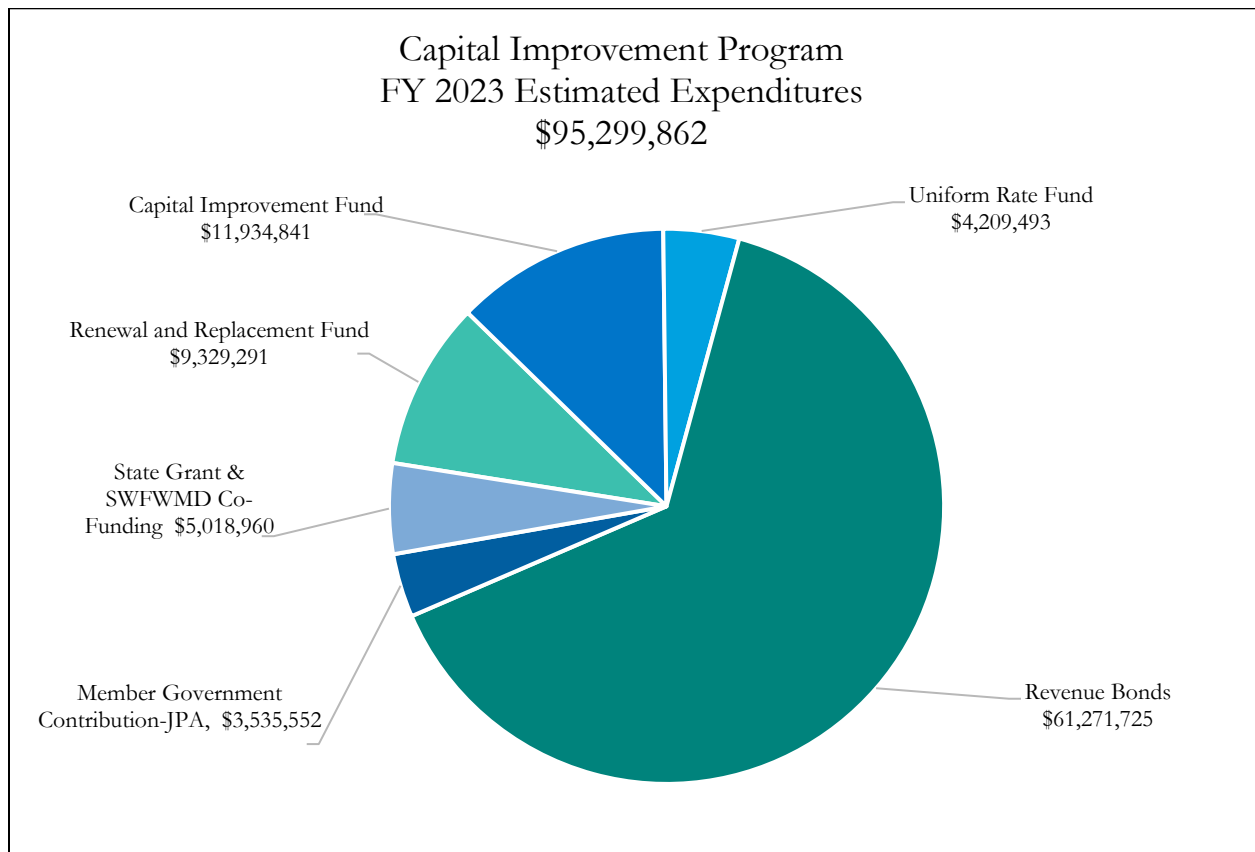
Purpose

Tampa Bay Water’s Capital Improvement Program (CIP) is a comprehensive ten-year plan and portfolio of previously approved and new proposed capital projects. The CIP is updated annually as the scope, needs and timing for specific projects change. Tampa Bay Water’s Board is presented the Fiscal Year 2023 estimated expenditures for approval. Fiscal Year 2024 through Fiscal Year 2032 of the Capital Improvement Program is presented to the Board for acceptance.

Please refer to the full FY 2023 – FY 2032 Capital Improvements Program document for more detailed information.

Capital Improvement Program Expenditures Fiscal Year 2023

The following chart summarizes the Capital Improvement Program estimated expenditures for fiscal year 2023 by funding source.



Divisional Operating Budget Detail

Fiscal Year 2023

The Divisional Operating Budget Detail section provides an overall view of the fiscal year 2023 operating budget and historical budget trends of the agency for the preceding four years. It also provides budget information at the divisional level along with each division's responsibilities, goals, and objectives.

Tampa Bay Water – 2023 Annual Budget Divisional Operating Budget Detail

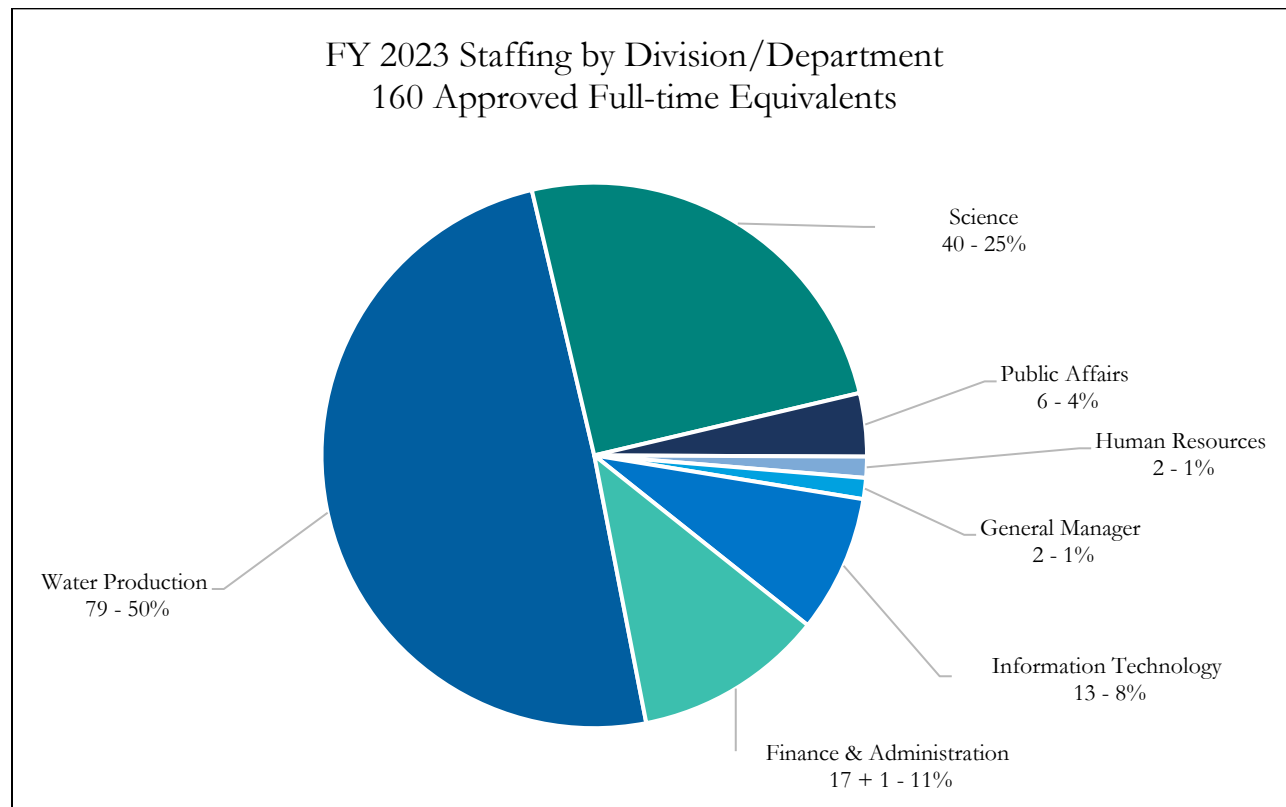
This section provides summaries of Tampa Bay Water’s new divisional organizations, mission, responsibilities, as well as historical budget trends.

As the Agency has matured and shifted from an organization focused on the planning and construction of new supplies to an organization focused on the efficient operation and timely maintenance of its robust and integrated regional supply system, a new organizational chart was developed. The organizational design separates the agency into four divisions: Water Production, Finance & Administration, Public Affairs, and Science & Technology and has the Human Resource Department as a direct report to the General Manager. Each division focuses on continually developing efficient work processes and creating performance measures to strive for efficiencies and affordable service.

Tampa Bay Water’s organizational design focuses on the Mission, Vision and Value statements, and better positions the agency to implement the Board’s Strategic Plan.

Staffing

In fiscal year 2023, personnel services funding is approximately 12 % or \$23,728,800 of the Operating Budget. Personnel Services includes the Agency’s expenses for wages, payroll taxes, retirement contributions, employees’ insurance, workers’ compensation, unemployment compensation, other post employee benefits and the GASB Statement No. 68 retirement reporting requirements for 159 full-time employees, plus 1 approved full-time position and 6 co-op students. The chart below shows the breakdown of full-time employees per division approved for FY 2023.



Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

The chart below shows the number of agency full-time employees by area for fiscal years 2018 through 2022 and approved for fiscal year 2023.

Area	Approved FY 2018	Approved FY 2019	Approved FY 2020	Approved FY 2021	Approved FY 2022	Approved FY2023
General Manager	2	2	2	2	2	2
General Counsel ¹	-	-	-	-	-	-
Public Affairs	4	4	5	5	6	6
Water Production	73	74	75	75	78	79
Finance & Administration	17	29	30	30	30	18
Information Technology ²	-	-	-	-	-	13
Human Resources	2	2	2	2	2	2
Science	50	39	41	41	41	40
Full-time Employees	148	150	155	155	159	160

1 – General Counsel has been outsourced since May 2012.

2 – Information Technology was part of Science in FY 2018 and part of Finance & Administration in FY 2019 through FY 2022

Position Requests for Fiscal Year 2023

As Tampa Bay Water faces retirements, promotions and other staff turnover, the Executive Team announced in March 2020 organizational changes to address succession planning and knowledge retention in the Water Production and Science and Technical divisions. The development of these ideas was the result of extensive collaboration with the managers involved and the work with consultants on an agency workforce analysis.

The 2020 Management and Performance Audit included recommendations that addressed Agency staffing, such as developing a more robust succession planning strategy, creating a “Governmental Affairs” role, and CIP project evaluations to help complete them on a timely basis, including staffing constraints.

In December 2020, a formal succession strategy was presented to the Board. The strategy was designed to provide the foundation for the Agency to proactively respond to shifts in its staff attrition, address emerging recruitment challenges, and capitalize on development opportunities in a way that ensures its business continuity and supports both immediate and long-range agency priorities.

One full-time equivalent position is being requested in the Fiscal Year 2023 Budget to expand program and initiatives and to assist with increased volume of work-related ten-year Capital Improvement Program.

The following position is approved for the fiscal year 2023:

Finance and Administration Division

Purchasing Specialist I - This position will provide additional tracking and reporting of small businesses, and minority and women owned businesses. This position will also help with the increased volume and complexity of the agency’ procurements.

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

Total Operating Budget – Uniform Rate	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023
41000 Regular Salaries	11,258,632	11,706,407	12,622,898	12,490,703	14,081,150	14,834,800
41300 Other Salaries & Wages	12,926	13,448	13,958	7,380	15,300	15,300
41310 Employee Awards	1,588	1,610	1,285	1,383	3,100	3,000
41340 Auto Allowance	5,043	5,214	5,309	1,142	5,700	4,900
41410 Overtime	85,724	83,405	77,604	95,965	92,600	108,000
41420 Shift Differential	63,182	62,177	62,416	58,878	70,800	70,600
41430 On-call Pay	57,281	69,566	64,536	65,245	74,400	73,300
42100 FICA	831,414	859,739	926,040	924,579	1,094,899	1,156,700
42200 FRS	2,081,164	3,000,883	3,406,963	814,602	5,840,931	3,983,400
42300 Life & Health Insurance	1,894,578	2,232,669	2,522,946	2,253,941	3,102,347	3,323,800
42305 FSA Health Care Med Excess	2,117	1,692	1,799	(3,593)	-	-
42400 Workers' Compensation	101,379	100,827	83,650	85,349	105,000	105,000
42500 Unemployment Compensation	4,180	-	-	3,812	10,000	10,000
42600 Other Post Employee Benefits	(81,538)	21,269	49,220	32,940	36,000	40,000
Total Personnel Services	16,317,669	18,158,904	19,838,623	16,832,326	24,532,227	23,728,800
55100 Office Supplies	28,356	24,478	29,833	25,558	38,625	34,500
55200 Operating Supplies	1,390,983	1,674,511	1,532,172	1,863,057	2,375,582	2,629,743
55260 Computer Software	195,613	35,753	44,208	16,353	63,700	60,000
55400 Books, Publ., Subs., Mbrshps.	258,074	338,743	320,092	348,506	381,610	490,096
55500 Training	174,932	138,353	110,736	122,917	289,923	259,687
Total Materials & Supplies	2,047,959	2,211,837	2,037,041	2,376,391	3,149,440	3,474,026
63120 Engineering Services	1,972,117	1,884,285	2,331,297	4,025,717	7,431,792	5,733,000
63125 Engineering Svcs-Own. Allow.	10,323	60,784	138,946	157,223	-	-
63130 Hydrological Services	664,712	457,868	606,892	613,954	1,064,500	1,122,500
63140 Ecological Services	2,464,404	2,459,778	2,972,854	2,141,553	2,509,342	2,404,440
63181 Mitigation	10,618	1,143	1,953	7,448	100,000	50,000
63182 Augmentation	38,821	155,523	40,483	42,179	168,000	43,000
63190 Other Professional Services	4,268,134	3,260,472	5,098,807	6,102,418	5,564,790	4,766,501
63200 Accounting & Auditing	100,500	118,500	304,000	123,000	181,000	181,000
63400 Other Services	2,092,669	2,669,491	3,428,252	3,816,092	4,591,019	4,563,363
63410 O&M Agreements	15,477,128	13,986,036	12,539,695	13,903,088	14,063,891	15,126,687
Total Professional Services	27,099,427	25,053,882	27,463,179	30,932,673	35,674,334	33,990,491

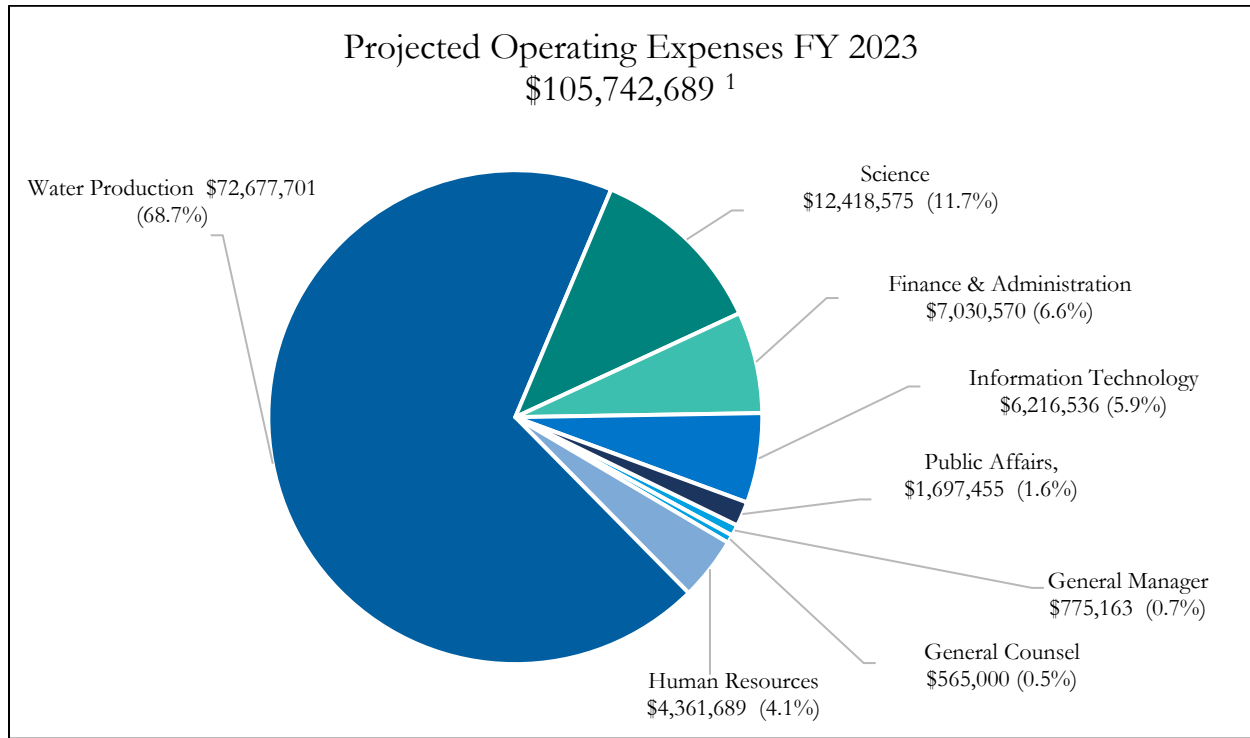
Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

Total Operating Budget – Uniform Rate	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023
64000 Travel & Per Diem	100,752	93,079	34,516	7,483	187,198	149,727
64005 Mileage & Tolls	28,650	23,882	12,074	6,594	31,150	26,075
64100 Communication Services	730,295	836,592	850,568	1,137,545	975,960	1,216,200
64120 Freight & Postage Services	62,692	70,733	63,173	67,264	99,925	76,475
64320 Water, Sewer & Other Utilities	188,769	214,103	254,845	228,234	298,600	273,510
64600 Repair & Maintenance	3,057,173	3,497,375	4,825,780	4,525,797	4,282,982	5,989,252
64605 Repairs & Maintenance – Owners All.	7,125	2,604	-	43,383	-	-
64700 Printing & Binding	32,019	36,669	16,509	15,508	45,500	38,300
64800 Promotional Activities	100,627	123,321	38,300	31,100	101,400	106,250
64810 Advertising	183,536	23,714	67,457	28,807	112,740	158,740
64990 Other Current Charges	208,970	177,111	304,986	223,558	216,790	233,775
64991 Permits	67,263	74,346	75,503	76,391	92,520	81,520
64995 P-Card Fees	1,264	1,125	1,959	1,105	-	-
64996 Employee Outing Fees	-	10	-	-	-	-
Total Repair & Other Services	4,769,135	5,174,663	6,545,669	6,392,770	6,444,765	8,349,824
64400 Rentals & Leases	153,854	221,822	299,424	215,543	284,814	286,864
64500 Insurance	1,348,978	1,462,074	1,656,851	1,809,899	2,075,465	2,225,515
Total Rent & Insurance	1,502,831	1,683,896	1,956,275	2,025,442	2,360,279	2,512,379
63110 Legal Services	379,962	359,880	301,613	363,802	555,000	655,000
86100 Land Acquisition Purchase Cost	25,000	728,151	527,291	-	20,000	20,000
86110 Land Acquisition Legal Cost	-	-	-	-	7,500	35,000
86190 Land Acquisition Other Cost	11,981	15,469	22,645	567	1,000	-
86300 Capital Improvement Facility	848,220	24,917	2,406,725	4,614,041	405,000	165,000
86305 Capital Imp. Facility – Owners Allow.	36,255	-	32,937	344,351	-	-
86400 Machine & Equipment	1,194,732	2,062,674	878,739	2,283,309	1,250,444	940,025
86610 Software to Amortize	58,539	61,275	445,010	84,261	-	-
Total Capital Expenditures	2,174,726	2,892,485	4,313,347	7,326,528	1,683,944	1,160,025
86500 Construction in Progress	-	-	-	1,981,838	-	-
86505 Construction in Progress-Owners All.	-	-	-	152,967	-	-
Total Construction in Progress	-	-	-	2,134,805	-	-

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

Total Operating Budget – Uniform Rate	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023
77210 Bond Interest	38,838,614	37,252,276	35,517,860	33,317,840	31,692,640	28,394,137
77310 Bond Issues Costs	-	-	229,055	-	-	-
87114 Principal 2004 Bonds	13,535,000	5,005,000	-	-	-	-
87116 Principal 2005 Bonds	5,505,000	15,030,000	21,140,000	22,290,000	23,530,000	24,820,000
87140 Principal 2011 Bonds	11,140,000	11,710,000	12,290,000	12,915,000	14,625,000	-
87141 Principal 2011A Bonds	35,000	35,000	35,000	40,000	-	-
87145 Principal 2015B Bonds	845,000	855,000	870,000	890,000	910,000	930,000
81747 Principal 2016B Bonds	235,000	235,000	240,000	245,000	250,000	260,000
87150 Principal Master Bond – Tranche 1	-	-	33,000	142,000	146,000	149,000
87151 Principal Master Bond – Tranche 2	-	-	-	254,000	-	15,466,000
87152 Principal Master Bond – Tranche 3	-	-	-	-	-	266,000
Total Bond Debt Service	70,133,614	70,122,276	70,354,915	70,093,840	71,153,640	70,285,137
77250 Facility Acquisition Interest	4,263,601	3,968,187	3,653,140	3,322,245	2,974,707	2,609,687
87125 Facility Acquisition Principal	5,967,957	6,263,370	6,578,418	6,909,312	7,256,851	7,621,870
Total Acquisition Credits to Members	10,231,558	10,231,558	10,231,558	10,231,558	10,231,558	10,231,558
55250 Water Quality Credit	48,000	48,000	48,000	48,000	48,000	48,000
82820 Renewal & Replacement Funding	3,325,468	5,509,008	4,988,288	3,333,679	1,400,000	6,000,000
82830 Rate Stabilization Funding	2,955,840	5,274,114	1,737,848	5,450,399	-	-
82844 Energy Funding	269,487	270,869	338,228	260,453	-	-
82870 Capital Improvement Funding	4,215,354	5,356,993	7,427,045	8,805,449	-	-
Total Reserve Funding	10,766,148	16,410,985	14,491,410	17,849,980	1,400,000	6,000,000
55210 Water Treatment Chemicals	8,370,525	8,915,227	9,935,948	10,579,523	13,397,656	15,899,383
64310 Power & Light	10,644,646	10,378,812	11,364,291	11,893,161	15,384,286	15,390,261
64380 Water for Resale	1,282,092	538,440	708,172	528,245	500,800	534,500
Total Variable Operating Costs	20,297,263	19,832,479	22,008,410	23,000,929	29,282,742	31,824,144
Grand Total	165,768,292	172,180,845	179,590,040	189,609,042	186,515,929	192,259,384

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail



1 – Projected Operating Expenses FY 2023 does not include bond debt service, member acquisition credits or reserve funding.

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

FY 2023 Operating Budget	General Manager *	Human Resources	Water Production	Science	Finance & Admin.	Information Technology	Public Affairs	Total Budget
41000 Regular Salaries	335,700	501,800	6,996,400	3,477,400	1,537,000	1,407,100	579,400	14,834,800
41300 Other Salaries & Wages	15,300	-	-	-	-	-	-	15,300
41310 Employee Awards	-	3,000	-	-	-	-	-	3,000
41340 Auto Allowance	4,900	-	-	-	-	-	-	4,900
41410 Overtime	-	300	102,100	2,900	1,100	1,100	500	108,000
41420 Shift Differential	-	-	70,600	-	-	-	-	70,600
41430 On-call Pay	-	-	52,100	-	-	21,200	-	73,300
42100 FICA	25,700	38,500	553,700	266,800	118,000	109,500	44,500	1,156,700
42200 FRS	83,500	61,800	886,400	450,600	2,210,100	195,700	95,300	3,983,400
42300 Life & Health Insurance	-	3,323,800	-	-	-	-	-	3,323,800
42305 FSA Health Care Med Excess	-	-	-	-	-	-	-	-
42400 Workers' Compensation	-	105,000	-	-	-	-	-	105,000
42500 Unemployment Compensation	-	10,000	-	-	-	-	-	10,000
42600 Other Post Employee Benefits	-	40,000	-	-	-	-	-	40,000
Total Personnel Services	465,100	4,084,200	8,661,300	4,197,700	3,866,200	1,734,600	719,700	23,728,800
55100 Office Supplies	-	100	1,100	-	31,800	-	1,500	34,500
55200 Operating Supplies	300	2,850	1,561,912	447,931	416,250	166,000	34,500	2,629,743
55260 Computer Software	-	-	50,000	-	-	10,000	-	60,000
55400 Books, Publ., Subs., Mbrshps.	22,413	4,406	55,094	253,978	10,000	9,400	134,805	490,096
55500 Training	2,000	29,500	135,927	24,515	31,245	30,000	6,500	259,687
Total Materials & Supplies	24,713	36,856	1,804,033	726,424	489,295	215,400	177,305	3,474,026
63120 Engineering Services	-	-	4,413,000	1,320,000	-	-	-	5,733,000
63130 Hydrological Services	-	-	-	1,122,500	-	-	-	1,122,500
63140 Ecological Services	-	-	-	2,404,440	-	-	-	2,404,440
63181 Mitigation	-	-	-	50,000	-	-	-	50,000
63182 Augmentation	-	-	-	43,000	-	-	-	43,000
63190 Other Professional Services	185,000	88,500	1,165,000	1,640,865	302,000	930,136	455,000	4,766,501
63200 Accounting & Auditing	-	-	-	-	181,000	-	-	181,000
63400 Other Services	-	82,633	2,407,680	2,400	38,400	1,971,600	60,650	4,563,363
63410 O&M Agreements	-	-	15,126,687	-	-	-	-	15,126,687
Total Professional Services	185,000	171,133	23,112,367	6,583,205	521,400	2,901,736	515,650	33,990,491

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

FY 2023 Operating Budget	General Manager ¹	Human Resources	Water Production	Science	Finance & Admin. ²	Information Technology	Public Affairs	Total Budget
64000 Travel & Per Diem	5,000	5,000	45,827	41,400	34,500	13,000	5,000	149,727
64005 Mileage & Tolls	750	3,500	5,825	5,750	4,750	3,000	2,500	26,075
64100 Communication Services	-	-	25,200	-	-	1,191,000	-	1,216,200
64120 Freight & Postage Services	-	600	19,500	6,500	43,075	800	6,000	76,475
64320 Water, Sewer & Other Utilities	-	-	273,510	-	-	-	-	273,510
64600 Repair & Maintenance	-	3,000	5,417,926	495,326	1,000	67,000	5,000	5,989,252
64700 Printing & Binding	-	-	1,000	-	15,000	-	22,300	38,300
64800 Promotional Activities	-	-	-	-	1,250	-	105,000	106,250
64810 Advertising	1,500	22,000	1,790	1,950	1,500	-	130,000	158,740
64990 Other Current Charges	3,100	29,400	188,625	-	10,150	-	2,500	233,775
64991 Permits	-	-	3,000	78,520	-	-	-	81,520
Total Repairs & Other Services	10,350	63,500	5,982,203	629,446	111,225	1,274,800	278,300	8,349,824
64400 Rentals & Leases	-	6,000	183,814	750	49,800	40,000	6,500	286,864
64500 Insurance	-	-	232,865	-	1,992,650	-	-	2,225,515
Total Rent & Insurance	-	6,000	416,679	750	2,042,450	40,000	6,500	2,512,379
63110 Legal Services	655,000	-	-	-	-	-	-	655,000
86100 Land Acquisition Purchase Cost	-	-	20,000	-	-	-	-	20,000
86110 Land Acquisition Legal Cost	-	-	35,000	-	-	-	-	35,000
86300 Capital Improvement Facility	-	-	165,000	-	-	-	-	165,000
86400 Machine & Equipment	-	-	608,975	281,050	-	50,000	-	940,025
Total Capital Expenditures	-	-	828,975	281,050	-	50,000	-	1,160,025
55250 Water Quality Credit	-	-	48,000	-	-	-	-	48,000
55210 Water Treatment Chemicals	-	-	15,899,383	-	-	-	-	15,899,383
64310 Power & Light	-	-	15,390,261	-	-	-	-	15,390,261
64380 Water for Resale	-	-	534,500	-	-	-	-	534,500
Total Variable Operating Costs	-	-	31,824,144	-	-	-	-	31,824,144
Grand Total	1,340,163	4,361,689	72,677,701	12,418,575	7,030,570	6,216,536	1,697,455	105,742,689

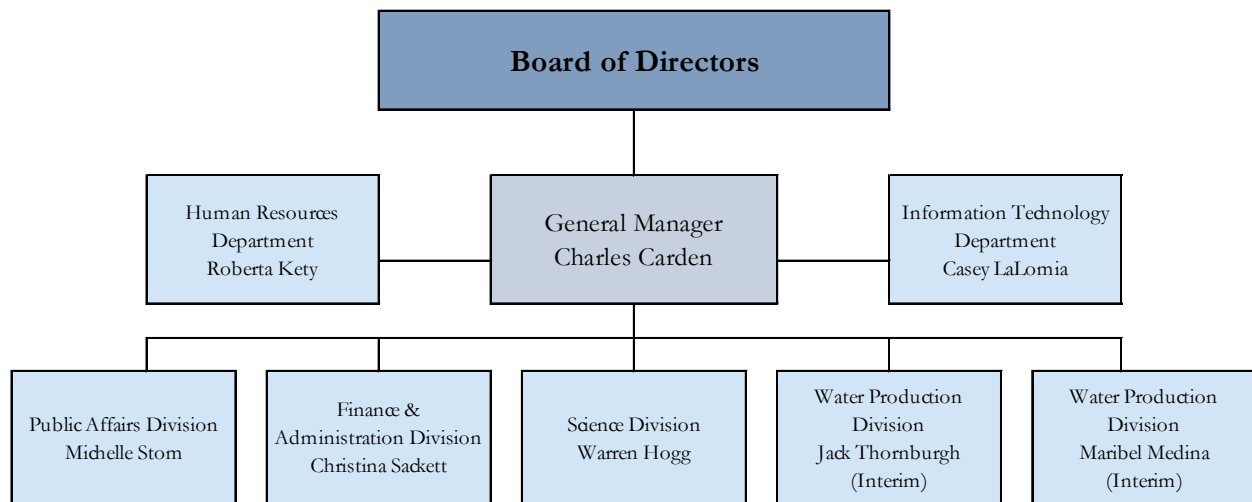
1 – General Manager includes General Counsel legal services.

2 – Finance & Admin. does not include bond debt service, member acquisition credits or reserve funding.

Tampa Bay Water – 2023 Annual Budget Divisional Operating Budget Detail

Office of the General Manager

The General Manager is appointed by and serves at the pleasure of the Agency's Board of Directors and is responsible for providing the leadership to develop and expand the organization in a multitude of activities in the areas of water production, science, technology, finance, administration, public affairs, human resources, and ensuring that Board policies and programs are implemented in accordance with the Board's direction. The General Manager oversees the Human Resources and Information Technology Departments, and four divisions as follows:



The General Manager provides considerable interaction and coordination with members of the Board and members of other public agencies conducting business with the Agency. The General Manager promotes the overall mission and strategic planning of the Agency. He anticipates and keeps apprised of key issues of the Federal, State, and local governmental and municipal bodies as they relate to the Agency's interest. The General Manager assures the organization, and its mission, programs, products, and services are consistently presented in a strong, positive image to Agency stakeholders and are consistent with the policy direction of the Board of Directors.

The General Manager also coordinates all legal matters for the agency with the agency's General Counsel. The General Counsel handles a variety of legal matters including those relating to operations, permitting, contracts, property acquisition, construction-related services, human resource and fiscal matters and defense of legal matters. Since May 2012, the agency's general counsel duties have been performed through outside contracted services, currently with Conn & Buenaventura, P.A.

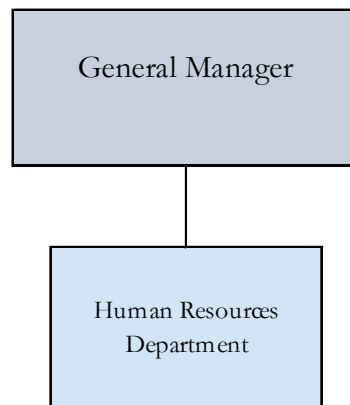
Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

Office of the General Manager (Including Office of General Counsel)	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023
41000 Regular Salaries	280,750	293,533	307,313	304,065	331,500	335,700
41300 Other Salaries & Wages	12,926	13,448	13,958	7,380	15,300	15,300
41340 Auto Allowance	5,043	5,214	5,309	1,142	5,700	4,900
42100 FICA	20,732	17,283	22,545	22,272	25,400	25,700
42200 FRS	27,569	62,710	34,025	36,656	83,100	83,500
42300 Life & Health Insurance	9,348	20,022	61,423	38,821	-	-
Total Personnel Services	356,368	412,209	444,572	410,335	461,000	465,100
55100 Office Supplies	114	37	40	-	125	-
55200 Operating Supplies	102	-	-	392	820	300
55400 Books, Publ., Subs., Mbrshps.	19,494	20,573	21,320	20,953	22,413	22,413
55500 Training	1,885	930	690	-	2,650	2,000
Total Materials & Supplies	21,595	21,540	22,050	21,345	26,008	24,713
63190 Other Professional Services	-	286	-	-	138,000	185,000
Total Professional Services	-	-	-	-	135,000	185,000
64000 Travel & Per Diem	2,525	4,181	1,421	-	7,250	5,000
64005 Mileage & Tolls	931	580	203	-	900	750
64120 Freight & Postage Services	-	-	-	12	50	-
64810 Advertising	3,977	861	855	988	2,500	1,500
64990 Other Current Charges	1,367	2,381	2,282	3,380	3,100	3,100
Total Repair & Other Services	8,800	8,003	4,760	4,380	13,800	10,350
63110 Legal Services	379,962	359,880	301,613	363,802	555,000	655,000
86110 Land Acquisition Legal Cost	-	-	-	-	2,500	-
Total Capital Expenditures	-	-	-	-	2,500	-
Grand Total	766,726	801,918	772,996	799,862	1,196,308	1,340,163

Tampa Bay Water – 2023 Annual Budget Divisional Operating Budget Detail

Human Resources Department

The Human Resources Department is responsible for assisting in the needs of the full-time equivalent employee positions and the co-op students of Tampa Bay Water. Currently, Human Resources is comprised of two full-time positions and reports directly to the Agency's General Manager.



The mission of the Agency's Human Resources Department is to maintain a fair, equitable, and positive work environment for all employees in support of the mission of the Agency. The Human Resources Division believes that the success of the Agency is primarily dependent upon its employees. Further, it is our commitment to our employees and their development that we believe will create job satisfaction, career opportunities and provide maximum benefit to the organization.

The Human Resources Department provides support and assistance for employees and retirees through the administration of benefit programs, policies, procedures, by promoting positive employee relations, and by ensuring a competent and diverse workforce. The Human Resources Department provides a diverse range of Human Resources services to ensure that the Tampa Bay Water continues to be a desirable place to work.

For our employees, we serve as a resource of information and expertise to enhance the well-being and quality of life among our workforce. The Human Resources Division demonstrates through our actions and behavior a genuine respect for the dignity of the individual and to honor each person's right to fair and equitable treatment in all aspects of the employment relationship.

Tampa Bay Water – 2023 Annual Budget

Divisional Operating Budget Detail

The Human Resources Department accomplishes this through the following major objectives:

- Providing employees with the tools, training, and knowledge that motivates them to perform in the most effective and efficient manner possible. Human Resources regards training, education, and employee development activities as an investment to promote individual success and to increase overall value to the Agency.
- Inspiring and encouraging a high level of employee morale through recognition, effective communication, and providing effective feedback. The Human Resources Department encourages open discussion between supervisors and employees and manages the process to regularly review employee performance by establishing clear objectives, providing relevant and positive feedback to assure continued development, and consistently works towards the objective of achieving an environment of involvement, commitment, empowerment, and productivity.
- Promoting a diverse workforce that recognizes each employee as an individual in a safe and discrimination/harassment free environment through positive programs of hiring, career development, and promotion.
- Facilitating change management and the pursuit of excellence in all employee programs and influencing positive employee-management relationships.
- Establishing, administering, and communicating sound policies and practices that treat employees with dignity and equality while maintaining compliance with applicable law, policy, and regulation.
- Providing professional human resources consultation to the organization regarding staffing, organizational effectiveness, training and development, compensation, Equal Employment Opportunity/Affirmative Action, benefits administration, and related practices.
- Recruiting and hiring the most qualified employees, by pre-planning staffing needs; ensuring an effective review process; increasing Agency visibility in the marketplace; identifying the best and most cost-effective recruitment sources; and conducting thorough reference checks. Promoting from within is encouraged whenever possible, especially when it is beneficial to the employee and the Agency.
- Retaining valued Agency employees by: providing professional training in effective management techniques that will assure effective leadership qualities in our managers; providing competitive wages and benefits and administering individual salaries and promotions in a manner that recognizes the relative value of each position and that rewards individual performance; providing technical, interpersonal, and career development training and coaching; conducting exit interviews and supplying relevant feedback to management; and enhancing communication between employees and management.
- Providing a safe, efficient, and attractive work environment through maintenance of good physical working conditions, proper work practices and safeguards, and the fostering of harmonious work relationships among all employees.

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

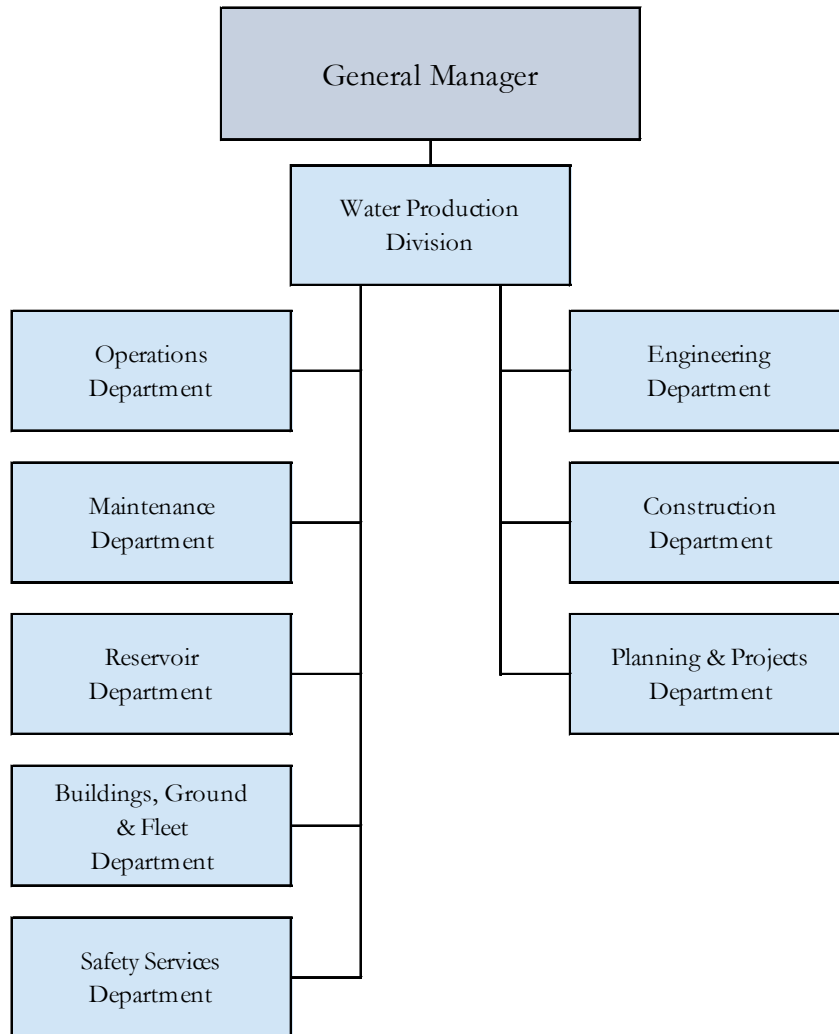
Human Resources Department	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023
41000 Regular Salaries	172,314	180,584	192,058	198,882	489,700	501,800
41310 Employee Awards	1,588	1,610	1,285	1,383	3,100	3,000
41410 Overtime	61	183	191	192	300	300
42100 FICA	12,725	13,780	14,090	14,568	37,569	38,500
42200 FRS	16,921	34,979	21,264	23,976	58,911	61,800
42300 Life & Health Insurance ¹	18,696	28,347	38,387	66,260	3,102,347	3,323,800
42305 FSA Health Care Med Excess	2,117	1,692	1,799	(3,593)		
42400 Workers' Compensation	101,379	100,827	83,650	85,349	105,000	105,000
42500 Unemployment Compensation	4,180	-	-	3,812	10,000	10,000
42600 Other Post Employee Benefits	(81,538)	21,269	49,220	32,940	36,000	40,000
Total Personnel Services	248,442	383,271	401,943	423,768	3,842,927	4,084,200
55100 Office Supplies	7	55	55	-	250	100
55200 Operating Supplies	14,291	2,851	-	-	8,750	2,850
55400 Books, Publ., Subs., Mbrshps.	1,605	4,767	3,197	2,237	4,406	4,406
55500 Training	11,440	12,698	9,763	5,771	30,000	29,500
Total Materials & Supplies	27,343	20,370	13,015	8,008	43,406	36,856
63190 Other Professional Services	7,880	22,655	32,380	67,864	36,000	88,500
63400 Other Services	2,042	3,954	4,607	16,742	47,633	82,633
Total Professional Services	9,922	26,609	36,988	84,606	83,633	171,133
64000 Travel & Per Diem	3,016	3,693	-	2,715	8,500	5,000
64005 Mileage & Tolls	4,320	2,695	1,189	365	3,500	3,500
64120 Freight & Postage Services	270	774	252	347	950	600
64600 Repair & Maintenance	1,022	1,029	-	-	3,000	3,000
64810 Advertising	10,029	9,470	20,951	10,667	22,000	22,000
64990 Other Current Charges	23,617	19,808	25,301	18,203	29,300	29,400
64996 Employee Outing Fees	-	10	-	-	-	-
Total Repair & Other Services	42,274	37,479	47,693	32,297	67,250	63,500
64400 Rentals & Leases	2,856	4,458	3,141	-	5,000	6,000
Total Rent & Insurance	2,856	4,458	3,141	-	5,000	6,000
Grand Total	330,838	472,187	502,779	548,679	4,042,216	4,361,689

1 – Human Resources Department budgets for coverage for all agency staff, actual expenditures are coded directly to departments.

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

Water Production Division

The Water Production Division plans, designs, builds, operates, supports, monitors, and maintains Agency facilities to continuously provide high-quality water. The Division is divided into two groups. The first group consists of five departments; Operations, Maintenance, Reservoir, Building-Grounds and Fleet, and Safety Services Departments and report to the Chief Operating Officer. The second group consists of three departments; Engineering, Construction, and Planning and Projects Departments and report to the Engineering Senior Manager.



Tampa Bay Water – 2023 Annual Budget

Divisional Operating Budget Detail

The Operations, Maintenance & Reservoir Departments are responsible for inspection, programming, testing, calibration, and maintenance of critical agency equipment. This Section operates and monitors the Agency's facilities, maintains process control instruments and directs outsourced operations. They are responsible for the Renewal and Replacement Program and administration of the Maximo CMMS system.

Operations, Maintenance & Reservoir Departments' Goals & Objectives

- Conduct a full reimplementation of Maximo:
 - Redesign system standards, either in full or phased approach
 - Complete training of Agency staff prior to redeployment
- Evaluate re-implementation of the GIS integration with Maximo
- Complete applicable field conditions assessments and provide output from the Renewal and Replacement computer application
- Provide design review and support the ranking effort for all projects in the Capital Improvement Program.
- Coordinate with the Engineering Support/Construction Section on all construction projects to ensure minimal impacts to the operating system while maintaining regulatory compliance
- Manage the consolidated wellfield production below the permit condition of 90 mgd
- Manage the non-consolidated wellfield production below the respective permit limits
- Operate the regional system and points of connection in compliance with Exhibit C and D and all federal, state, and local regulations/permits
- Complete transition of the Keller H2S facility maintenance
- Complete the Reservoir monitoring and maintenance
- Manage the Desalination Facility OM&M Contract
- Manage the Regional Water Treatment Facility OM&M Contract

The Building, Grounds & Fleet Department is responsible for buildings and grounds maintenance and fleet management.

Building, Grounds & Fleet Department Goals & Objectives

- Perform maintenance on agency office buildings and grounds
- Manage and maintain agency's fleet program

Tampa Bay Water – 2023 Annual Budget

Divisional Operating Budget Detail

The Safety Services Department is responsible for emergency preparedness, and the safety and security of agency personnel and infrastructure.

Safety Services Department Goals & Objectives

- Review and update Safety Policy and Procedure Manual
- Continue assessment of physical facilities security & security officer performance
- Conduct annual security/safety tabletop training exercise

The Engineering and Construction Departments analyzes plans, schedules, budgets, designs, manages, and inspects construction for Capital Improvement/Renewal & Replacement projects needed to operate the system. Their goal is to ensure the public has sufficient water supplies into the future.

Engineering and Construction Departments Goals & Objectives

- Provide real estate coordination for acquisition and disposition of parcels and enforcement of existing property rights
- Provide surveying services to support Consolidated Water Use Permit and other agency needs
- Continue design of Southern Hillsborough County Supply Expansion: Pipeline; Segment A and Segment B
- Continue design and start construction of Southern Hillsborough County Supply Expansion: Booster Pump Station
- Continue construction of Tampa Bay Desalination Facility Intake Connection Improvements
- Continue replacement of Eldridge-Wilde Wellfield Pumps & Motors and Underground Powerline
- Complete construction of Regional Facility Site Pump Station Expansion
- Complete construction of Tampa Bypass Canal Gates Automation
- Complete C.W. Bill Young Regional Reservoir Solar Energy System

The Planning & Projects Department manages the development of processes, policies, tools, methods, and training to support a standardized project management capability within the Agency. Additionally, the department is responsible for the management, update, and implementation of the Long-term Master Water Plan, the Capital Improvements Program, and the Energy Management Program.

Planning & Projects Department Goals & Objectives

- Manage Capital Improvement Program
- Manage Energy Management Program
- Manage the Long-term Master Water Plan
- Coordinate multiple capital projects to minimize schedule and cost impacts
- Expedite project scheduling through project packaging and procurement

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

Water Production Division	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023
41000 Regular Salaries	5,030,377	5,073,865	5,312,921	5,506,461	6,045,600	6,996,400
41410 Overtime	80,423	79,317	74,760	92,250	86,000	102,100
41420 Shift Differential	63,182	62,177	62,416	58,878	70,800	70,600
41430 On-Call Pay	42,535	50,145	44,878	46,395	51,000	52,100
42100 FICA	371,477	383,624	389,766	403,340	476,600	553,700
42200 FRS	493,970	518,390	588,233	663,818	773,900	886,400
42300 Life & Health Insurance	966,689	1,111,463	1,061,896	1,061,791	-	-
Total Personnel Services	7,048,653	7,278,980	7,534,870	7,832,933	7,503,900	8,661,300
55100 Office Supplies	601	392	3,697	948	400	1,100
55200 Operating Supplies	878,840	1,033,847	1,026,505	1,274,492	1,372,567	1,561,912
55260 Computer Software	-	-	-	-	1,850	50,000
55400 Books, Publ., Subs., Mbrshps.	32,884	36,134	32,008	49,252	43,555	55,094
55500 Training	101,326	59,798	51,178	66,492	128,345	135,927
Total Materials & Supplies	1,013,652	1,130,171	1,113,387	1,391,183	1,546,717	1,804,033
63120 Engineering Services	1,472,592	1,718,225	1,584,150	3,114,080	1,260,000	4,413,000
63125 Engineering Svcs – Owners Allow.	10,323	60,784	138,946	157,223	-	-
63130 Hydrological Services	-	-	84,833	197,374	-	-
63140 Ecological Services	142,082	146,364	164,852	73,454	-	-
63190 Other Professional Services	1,453,083	831,434	455,794	824,466	1,650,000	1,165,000
63400 Other Services	1,309,465	1,581,722	1,768,383	2,031,614	2,131,270	2,407,680
63410 O&M Agreements	15,477,128	13,986,036	12,539,695	13,903,088	14,063,891	15,126,687
Total Professional Services	19,864,673	18,324,566	16,736,652	20,301,299	19,105,161	23,112,367
64000 Travel & Per Diem	32,142	27,104	9,699	3,625	42,098	45,827
64005 Mileage & Tolls	4,229	4,755	3,226	3,440	5,450	5,825
64100 Communications Services	-	3,672	5,713	18,879	25,360	25,200
64120 Freight & Postage Services	13,136	21,313	15,592	19,529	17,000	19,500
64320 Water, Sewer & Other Utilities	188,769	214,103	254,845	228,234	296,200	273,510
64600 Repair & Maintenance	2,951,312	3,427,803	4,761,618	4,343,842	4,020,782	5,417,926
64605 Repair & Maintenance – Own. Allow.	7,125	2,604	-	43,383	-	-
64700 Printing & Binding	-	-	-	-	2,000	1,000
64800 Promotional Activities	350	-	-	-	-	-
64810 Advertising	-	111	670	428	3,250	1,790
64990 Other Current Charges	2,957	2,041	1,617	178,166	175,650	188,625
64991 Permits	163	4,426	5,208	12,624	3,000	3,000
Total Repair & Other Services	3,200,181	3,707,930	5,058,188	4,852,150	4,590,790	5,982,203

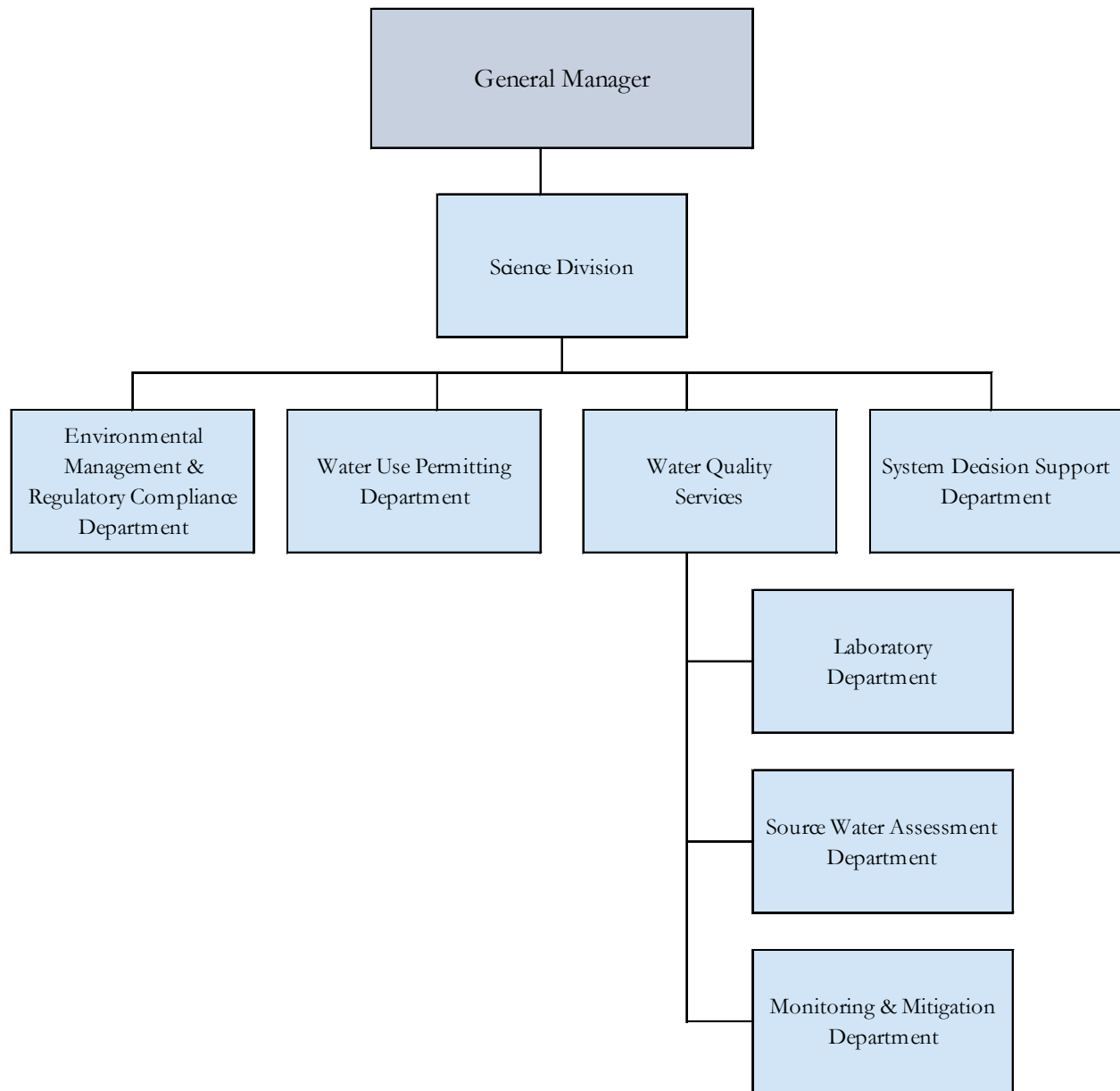
Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

Water Production Division	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023
64400 Rentals & Leases	38,615	100,731	127,139	158,185	118,814	183,814
64500 Insurance	192,151	188,268	219,340	201,239	232,865	232,865
Total Rent & Insurance	230,767	288,999	346,479	359,424	351,679	416,679
86100 Land Acquisition Purchase Cost	25,000	728,151	527,291	-	20,000	20,000
86110 Land Acquisition Legal Cost	-	-	-	-	5,000	35,000
86190 Land Acquisition Other Cost	11,981	14,969	22,486	492	-	-
86300 Capital Improvement Facility	848,220	24,917	2,406,725	4,614,041	405,000	165,000
86305 Capital Imp. Facility – Owner Allow.	36,255	-	32,937	344,351	-	-
86400 Machine & Equipment	596,605	938,164	414,628	557,231	844,944	608,975
Total Capital Expenditures	1,518,060	1,706,201	3,404,067	5,516,114	1,274,944	828,975
86500 Construction in Progress	-	-	-	1,981,838	-	-
86505 Construction in Progress-Own Allow.	-	-	-	152,967	-	-
Total Construction in Progress	-	-	-	2,134,805	-	-
55250 Water Quality Credit	48,000	48,000	48,000	48,000	48,000	48,000
55210 Water Treatment Chemicals	8,370,525	8,915,227	9,935,948	10,579,523	13,397,656	15,899,383
64310 Power & Light	10,644,646	10,378,812	11,364,291	11,893,161	15,384,286	15,390,261
64380 Water for Resale	1,282,092	538,440	708,172	528,245	500,800	534,500
Total Variable Operating Costs	20,297,263	19,832,479	22,008,410	23,000,929	29,282,742	31,824,144
Grand Total	53,221,249	52,317,326	56,250,053	65,436,837	63,703,933	72,677,701

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

Science Division

The Science Division leads the Agency in the efficient management of data and information to support all regulatory permitting and reporting services, water supply planning, source water assessment, and decision support activities. During fiscal year 2022, the Agency completed some organizational changes that moved the Planning & Projects Department and the Reservoir Department to the Water Production Division.



Tampa Bay Water – 2023 Annual Budget Divisional Operating Budget Detail

The Environmental Management and Regulatory Compliance Department implements the new environmental management system and oversees all regulatory permitting and compliance activities including review of new and existing permits and regulations to ensure that the Agency maintains complete and accurate compliance with all applicable federal, state, regional and local regulatory agencies.

Environmental Management & Regulatory Compliance Department Goals & Objectives

- Develop and implement new Environmental Management System following the guidelines of ISO 14001
- 100% Agency compliance with all applicable deadlines, events and reporting conditions dictated by regulatory agencies
- Keep apprised of new regulations, standards, policies, and guidance issued by relevant regulatory authorities that impact the Agency
- Work closely with Agency staff to complete all assigned strategic goals related to Agency compliance with all regulatory requirements
- Coordinate with regulatory agencies, member governments, and contract operators on all regulatory matters

The Water Use Permitting Department is responsible for the acquisition and renewal of, and compliance with, agency water use permits. Department staff prepare the permit applications, the supporting documents, and the compliance reports necessary to maintain the operating capacity of our water supply facilities. Staff manage the collection of and analyze environmental and water use data to assure compliance with our water supply facility permits. They also monitor and manage wetland impacts associated with construction and/or past operation of agency facilities and infrastructure. Wetland mitigation work is performed by restoring wetlands to their original condition or enhancing wetlands to offset for an unavoidable impact. Management of lands owned by Tampa Bay Water is performed to maintain appropriate habitat for flora and fauna and promote the health of the environment.

Water Use Permitting Department Goals & Objectives

- Maintain compliance with water facility permits to support a reliable water supply system and financial stability for the agency
- Monitor environmental systems near agency facilities to minimize impacts to water resources and operate our facilities in an environmentally sustainable manner
- Communicate results of monitoring and analyses with local governments and interested citizens to promote an understanding of our environmental systems and how best to protect them
- Keep apprised of new regulations, standards, policies, and guidance issued by relevant regulatory authorities that impact Agency water use permitting requirements

Tampa Bay Water – 2023 Annual Budget Divisional Operating Budget Detail

- Work closely with Agency staff to complete all assigned strategic goals related to water use permitting requirements
- Set strategic visions and goals for the Water Use Permitting Departments

Water Quality Services

The Water Quality Services is comprised of the Laboratory Department, the Source Water Assessment Department, and the Monitoring & Mitigation Department. The Water Quality Services staff is responsible for all water quality sampling and analysis (Laboratory), the hydrobiological monitoring program, compliance with Drinking Water permits, research on drinking water treatment, source water quality assessments, and assists member governments in addressing water quality issues in delivered water and in their distribution systems.

Laboratory Department is responsible for the collection, analyses and reporting for all water quality requirements related to Agency water use permits, environmental permits, discharge permits and drinking water permits. Typical analyses include general chemistry, metals, VOC's, DBP's, anions, and microbiological parameters. As needed, staff support a variety of Agency activities including operational challenges related to water quality, Member Government issues and regulatory compliance investigations. Laboratory Services also supports Agency research interests as available. The Laboratory staff maintain state and federal certification for analytical work which includes inspections, reporting and performance testing.

Laboratory Department Goals & Objectives

- Maintain full compliance with all Laboratory certifications
- Perform analytical work efficiently and cost effectively
- Ensure applicable laboratory quality control and assurance practices are implemented and met
- Be attentive to changes including resource quality conditions that may affect the Agency
- Keep apprised of new regulations, standards, policies, and guidance issued by relevant regulatory authorities that impact laboratory performance
- Complete all assigned strategic goals related to laboratory
- Set strategic visions and goals for Laboratory Services

The Source Water Assessment Department assists in the acquisition and renewal of, and compliance with, agency drinking water permits, managing the Hydrobiological Monitoring programs, and implementation of source water assessment activities. Staff inspect our facilities and analyze data to assure compliance with these facility permits.

**Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail**

Source Water Assessment Department Goals & Objectives

- Implement new source water assessment program.
- Maintain compliance with water facility permits to support a reliable water supply system and financial stability for the agency
- Monitor environmental systems near agency facilities to minimize impacts to water resources and operate our facilities in an environmentally sustainable manner
- Communicate results of monitoring and analyses with local governments and interested citizens to promote an understanding of our environmental systems and how best to protect them
- Keep apprised of new regulations, standards, policies and guidance issued by relevant regulatory authorities that impact Agency drinking water permitting requirements
- Work closely with Agency staff to complete all assigned strategic goals related to drinking water permitting requirements.
- Set strategic visions and goals for the Source Water Assessment Department

The Monitoring and Mitigation Department leads and supports the Agency in complying with permit requirements related to the acquisition of hydrologic data and the resolution of domestic well complaints.

The Mitigation Department oversees all aspects of domestic well complaints including working with drillers, consultants and interacting with the District. This department manages and tracks the complaints to ensure all policies and procedures are in compliance with the Board directives, the Agency Water Use Permits, and State and local Health regulations. This department reports to the Monitoring and Mitigation Manager and is responsible for adhering to the mitigation budget.

The hydrologic technical team is responsible for all efforts related to the acquisition of hydrology data required by Agency water use and environmental permits. This includes field measurements of surface waters and monitor wells, continuous logging instruments, the maintenance of these appurtenances as well as data entry, quality control and management.

Monitoring and Mitigation Department Goals & Objectives

- Maintain Agency's domestic well program to ensure compliance with all permit and agency policy requirements
- Ensure applicable practices and regulation requirements are implemented and met
- Be attentive to changes to existing conditions that may affect the Agency
- Provide oversight and management to ensure annual budget estimates are realized
- Keep apprised of new regulations, standards, policies, and guidance issued by relevant regulatory authorities that impact monitoring and mitigation requirements
- Complete all assigned strategic goals related to monitoring and mitigation requirements
- Set strategic visions and goals for the Monitoring and Mitigation department

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

The System Decision Support Department designs, implements, and maintains water resources optimization tools, hydrological models, decision support systems, system performance and reliability analysis, water demand forecasting models, supply forecasting models and tools all in support of both operational and long-range planning. This department created and continues to maintain the Optimized Regional Operations Plan, a one of kind optimization tool for source allocation.

System Decision Support Department Goals & Objectives

- Review and update the Water Shortage Mitigation Plan
- Provide weekly Optimized Regional Operational Plan (OROP) guidance for Water Production Division
- Complete annual update for long-term demand forecasts and prepare annual source allocation for annual budgeting process
- Provide analytical support to the Operations and Maintenance Section with analyzing source/treatment water quality issues affecting production goal
- Continue implementation of Tampa Bay Water Wise program
- Continue research projects which improve the Agency's understanding of the effects of climate change on assets vulnerability and long-term water supplies
- Implement development of operational level system-wide performance evaluation model
- Complete refresh of long-term demand forecasting models
- Coordinate with Water Use Permitting Department on all compliance issues associated with OROP

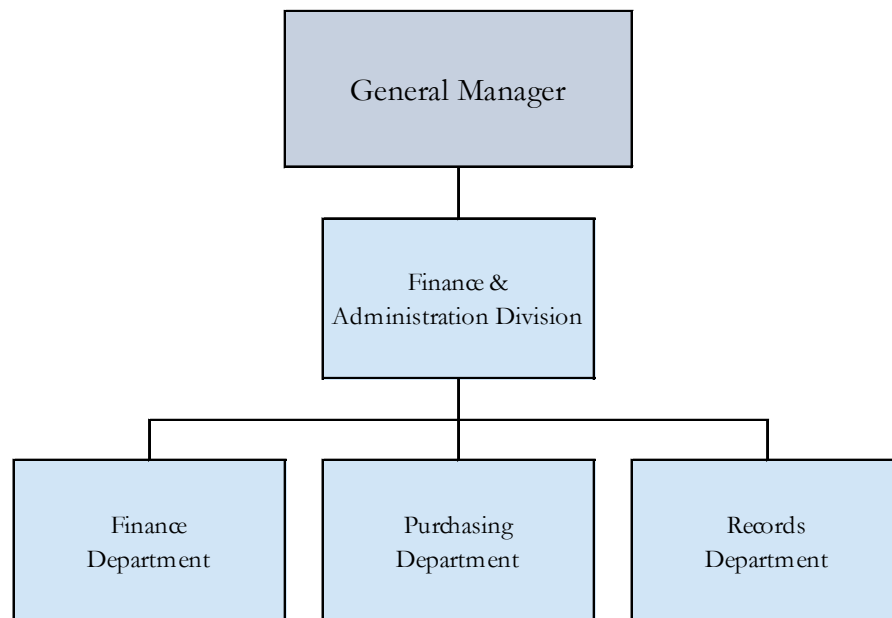
Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

Science Division	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023
41000 Regular Salaries	4,079,357	3,364,285	3,672,165	3,600,848	3,947,200	3,477,400
41410 Overtime	4,530	2,515	1,874	1,974	3,500	2,900
41430 On-Call Pay	14,746	-	-	-	-	-
42100 FICA	301,247	247,908	269,397	263,757	302,910	266,800
42200 FRS	418,918	315,986	406,573	438,633	496,390	450,600
42300 Life & Health Insurance	605,627	583,679	733,958	595,600	-	-
Total Personnel Services	5,424,425	4,514,373	5,083,966	4,900,813	4,750,000	4,197,700
55100 Office Supplies	213	-	44	-	-	-
55200 Operating Supplies	227,585	164,093	138,957	175,229	406,500	447,931
55260 Computer Software	192,508	-	-	-	1,850	-
55400 Books, Publ., Subs., Mbrshps.	179,308	224,430	230,048	236,777	255,351	253,978
55500 Training	33,995	21,793	7,763	6,937	51,235	24,515
Total Materials & Supplies	633,608	410,317	376,812	418,944	714,936	726,424
63120 Engineering Services	499,525	166,060	747,148	911,637	6,171,792	1,320,000
63130 Hydrological Services	664,712	457,868	522,059	416,580	1,064,500	1,122,500
63140 Ecological Services	2,322,322	2,313,414	2,808,002	2,068,099	2,509,342	2,404,440
63181 Mitigation	10,618	1,143	1,953	7,448	100,000	50,000
63182 Augmentation	38,821	155,523	40,483	42,179	168,000	43,000
63190 Other Professional Services	2,261,709	1,141,420	3,185,124	3,610,396	2,106,567	1,640,865
63400 Other Services	698,708	26,234	232,200	17,599	373,400	2,400
Total Professional Services	6,496,415	4,261,663	7,536,967	7,073,939	12,493,601	6,583,205
64000 Travel & Per Diem	35,982	28,417	15,868	1,615	65,600	41,400
64005 Mileage & Tolls	12,536	6,325	2,653	1,477	9,100	5,750
64100 Communications Services	730,295	362	399	-	-	-
64120 Freight & Postage Services	5,182	5,675	4,778	5,474	9,200	6,500
64320 Water, Sewer & Other Utilities	-	-	-	-	2,400	-
64600 Repair & Maintenance	103,362	68,133	63,887	156,086	243,200	495,326
64700 Printing & Binding	-	-	92	106	-	-
64810 Advertising	230	949	2,037	2,240	2,490	1,950
64990 Other Current Charges	1,704	2,717	796	-	1,000	-
64991 Permits	67,100	69,920	70,295	63,767	89,520	78,520
Total Repair & Other Services	956,393	182,497	160,804	230,765	422,510	629,446
64400 Rentals & Leases	-	209	-	-	41,200	750
Total Rent & Insurance	-	209	-	-	41,200	750
86400 Machine & Equipment	570,702	287,299	416,682	223,336	230,500	281,050
86610 Software to Amortize	58,539	-	-	-	-	-
Total Capital Expenditures	629,241	287,299	416,682	223,336	230,500	281,050
Grand Total	14,140,082	9,656,359	13,575,232	12,847,796	18,652,747	12,418,575

Tampa Bay Water – 2023 Annual Budget Divisional Operating Budget Detail

Finance & Administration Division

The Finance & Administration Division controls finances, risk, and vital records for the Agency. The Division is comprised of three departments: Finance, Purchasing, and Records. In fiscal year 2022, the Agency completed some organizational changes that moved the Information Technology Department from the Finance and Administration Division to report directly to the General Manager.



The Finance Department manages budget, payroll, accounts payable and receivable, assets, investments, debt management and financial compliance for the Agency. They also assist with the training and maintenance of the accounting software, MUNIS.

Finance Department Goals & Objectives

- Plan, develop, organize, and implement the annual budget.
- Accurately and timely prepare payroll and payroll taxes.
- Review, verify and process accurate invoices within 30 days.
- Timely prepare member invoices and year-end reconciliation.
- Track Agency assets - record new assets and properly dispose of old assets.
- Review market conditions to optimize rate of return on investments.
- Record investments and document revenues, gains, and losses.
- Maintain proper internal controls and support for financial statement audit.
- Continuously review upcoming FASB/GASB pronouncements.
- Properly follow financial protocol to ensure clean audits.
- Ensure compliance of financial and reporting activities with Agency policies, bond covenants and disclosures, contractual obligations and various rules, regulations, state and federal laws.

Tampa Bay Water – 2023 Annual Budget Divisional Operating Budget Detail

- Provide as needed training of the accounting software, MUNIS.
- Coordinate with Information Technology Department upgrades and maintenance of accounting software, MUNIS.
- Evaluate and add early payment discounts as part of the standard payment terms.

The Purchasing Department issues, processes, and administers the appropriate solicitations to ensure the availability of all materials and services to support the staff in providing timely treatment and delivery of drinking water. The Purchasing staff ensures that all procurement activities are conducted in compliance with statutes, policies, and best value solutions for the Agency. They are also responsible for the management and accountability of the Agency's warehouse and inventory items.

Purchasing Department Goals & Objectives

- Streamline current purchase order and contract processing using automated tools and standardization.
- Train Agency staff on purchasing cards and procurement regulations, processes, and ethics.
- Provide education and information for internal staff and suppliers through the website and intranet.
- Review legislation for any required changes in contract front-end documents.
- Identify cost savings opportunities through consolidating repetitive items into solicitations.
- Review and update inventory minimum/maximum and replenishment policies, as needed.
- Oversee Agency storing, and coordinate pick up of hazardous waste material according to local, state, and federal regulations.
- Identify and implement sustainable purchasing practices.
- Implement Bid Management and Vendor Self-Service modules within the Agency's financial system, Munis.
- Evaluate agency's purchasing card program and determine the need for any additional standard operating procedures or data analytics.
- Develop a formal mechanism to track contractor's performance.

The Records Department objective is to manage records efficiently and effectively through their life cycle, and to respond to public records requests for the Agency. Additionally, the department is responsible for managing the Agency's insurance coverage.

Records Department Goals & Objectives

- Coordinate with other Departments on updating Agency policies.
- Develop and implement a process to review requirements of records stored in systems that are slated to be upgraded, replaced, or taken out of use.
- Provide electronic records management training for employees.
- Provide as needed training of records software, HP Records Manager (TRIM).

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

- Ensure records management requirements are addressed when new or enhanced IT systems are developed or purchased.
- Review developed, purchased, or enhanced systems for possibility of automating record-keeping process.
- Ensure electronic records containing confidential or exempt information are maintained, made accessible and disposed of in such a way that the information is not disclosed and, in case of disposal, cannot practicably be read or reconstructed.
- Review Legacy Files for disposition or scan to eliminate old unsupported software.
- Compare all documents filed with permit agencies to those in agency's records system and download any missing records.
- Complete projects relating to records library and scientific reports classification.
- Minimize agency liability exposure and to contain costs related to agency insurance coverage.

Finance & Administration Division	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023
41000 Regular Salaries	4,079,357	3,364,285	3,672,165	3,600,848	3,947,200	3,477,400
41410 Overtime	4,530	2,515	1,874	1,974	3,500	2,900
41430 On-Call Pay	14,746	-	-	-	-	-
42100 FICA	301,247	247,908	269,397	263,757	302,910	266,800
42200 FRS	418,918	315,986	406,573	438,633	496,390	450,600
42300 Life & Health Insurance	605,627	583,679	733,958	595,600	-	-
Total Personnel Services	5,424,425	4,514,373	5,083,966	4,900,813	4,750,000	4,197,700
55100 Office Supplies	213	-	44	-	-	-
55200 Operating Supplies	227,585	164,093	138,957	175,229	406,500	447,931
55260 Computer Software	192,508	-	-	-	1,850	-
55400 Books, Publ., Subs., Mbrshps.	179,308	224,430	230,048	236,777	255,351	253,978
55500 Training	33,995	21,793	7,763	6,937	51,235	24,515
Total Materials & Supplies	633,608	410,317	376,812	418,944	714,936	726,424
63190 Other Professional Services	38,821	155,523	40,483	42,179	168,000	43,000
63200 Accounting & Auditing	2,261,709	1,141,420	3,185,124	3,610,396	2,106,567	1,640,865
63400 Other Services	698,708	26,234	232,200	17,599	373,400	2,400
Total Professional Services	6,496,415	4,261,663	7,536,967	7,073,939	12,493,601	6,583,205

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

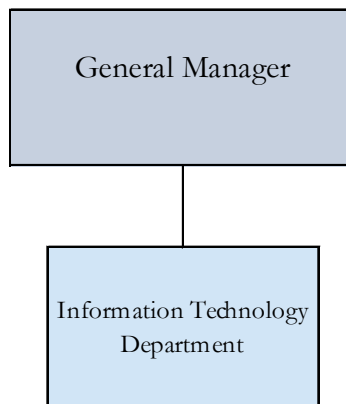
Finance & Administration Division	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023
64000 Travel & Per Diem	21,633	28,879	7,529	-	53,750	34,500
64005 Mileage & Tolls	5,091	8,187	3,796	1,067	9,200	4,750
64100 Communications Services	-	832,558	844,456	1,118,666	950,600	-
64120 Freight & Postage Services	41,697	39,016	39,315	40,027	68,725	43,075
64600 Repair & Maintenance	450	410	275	25,869	16,000	1,000
64700 Printing & Binding	11,580	12,916	10,399	5,254	20,500	15,000
64800 Promotional Activities	480	60	-	-	1,400	1,250
64810 Advertising	1,168	2,486	495	1,269	2,500	1,500
64990 Other Current Charges	177,932	149,032	272,076	22,380	7,740	10,150
64995 P-Card Fees	1,264	1,125	1,959	1,105	-	-
Total Repairs & Other Services	261,294	1,074,668	1,180,300	1,215,638	1,130,415	111,225
64400 Rentals & Leases	112,382	116,424	169,144	57,359	119,800	49,800
64500 Insurance	1,156,827	1,273,806	1,437,512	1,608,660	1,842,600	1,992,650
Total Rent & Insurance	1,269,209	1,390,230	1,606,655	1,666,018	1,962,400	2,042,450
86190 Land Acquisition Other Cost	-	500	159	75	1,000	-
86400 Machine & Equipment	24,167	735,498	33,150	1,502,742	155,000	-
86610 Software to Amortize	-	61,275	445,010	84,261	-	-
Total Capital Expenditures	24,167	797,272	478,319	1,587,078	156,000	-
77210 Bond Interest	38,838,614	37,252,276	35,517,860	33,317,840	31,692,640	28,394,137
77310 Bond Issue Costs	-	-	229,055	-	-	-
87114 Principal 2004 Bonds	13,535,000	5,005,000	-	-	-	-
87116 Principal 2005 Bonds	5,505,000	15,030,000	21,140,000	22,290,000	23,530,000	24,820,000
87140 Principal 2011 Bonds	11,140,000	11,710,000	12,290,000	12,915,000	14,625,000	-
87141 Principal 2011A Bonds	35,000	35,000	35,000	40,000	-	-
87145 Principal 2015B Bonds	845,000	855,000	870,000	890,000	910,000	930,000
87147 Principal 2016B Bonds	235,000	235,000	240,000	245,000	250,000	260,000
87150 Principal Master Bond – Tranche 1	-	-	33,000	142,000	146,000	149,000
87151 Principal Master Bond – Tranche 2	-	-	-	254,000	-	15,466,000
87152 Principal Master Bond – Tranche 3	-	-	-	-	-	266,000
Total Bond Debt Service	70,133,614	70,122,276	70,354,915	70,093,840	71,153,640	70,285,137
77250 Facility Acquisition Interest	4,263,601	3,968,187	3,653,140	3,322,245	2,974,707	2,609,687
87125 Facility Acquisition Principal	5,967,957	6,263,370	6,578,418	6,909,312	7,256,851	7,621,870
Total Member Acquisition Credits	10,231,558	10,231,558	10,231,558	10,231,558	10,231,558	10,231,558
82820 Renewal & Replacement Funding	3,325,468	5,509,008	4,988,288	3,333,679	1,400,000	6,000,000
82830 Rate Stabilization Funding	2,955,840	5,274,114	1,737,848	5,450,399	-	-
82844 Energy Funding	269,487	270,869	338,228	260,453	-	-
82870 Capital Improvement Funding	4,215,354	5,356,993	7,427,045	8,805,449	-	-
Total Reserve Funding	10,766,148	16,410,985	14,491,410	17,849,980	1,400,000	6,000,000
Grand Total	96,087,860	107,808,92	107,386,77	108,776,95	97,455,330	93,547,265

Agency FRS (GASB 68), bond debt service, member acquisition credits and reserve funding expenditures are budgeted in the Finance and Administration Division.

Tampa Bay Water – 2023 Annual Budget Divisional Operating Budget Detail

Information Technology Department

The Information Technology Department designs, builds, supports, manages, and maintains information technology systems, applications, networks, and databases to optimize agency productivity. The primary responsibilities of this department are the efficient management and security of the Agency's data, electronic information, and network systems. The department includes three functional areas: Business and Applications, SCADA Administration, and Information Technology Security and Infrastructure.



The Agency completed its Information Technology Strategic Plan which provides the roadmap for the Agency's IT goals and objectives. This plan is the result of a detailed assessment of the Agency's current information technology department.

Information Technology Department Goals & Objectives

- Maintain Disaster Recovery, Business Continuity, and Incident Response SOPs
- Complete Domain change (renaming from TBW.Net to Tampabaywater.org)
- Evaluate Agency's Cyber Security programs and processes continually for improvement.
- SOPs and documentation of IT systems
- IT Asset Management (Hardware & Software)
- Support for Maximo, MUNIS, and Aurigo Masterworks
- Maintaining an IT Advisory Committee
- Evaluate and develop plan for addressing American Water Infrastructure Act IT findings.
- Evaluate and implement RRAP recommendations.
- Implement secure platform for sharing and adopting cybersecurity policies, controls, procedures, and communication between members.

Tampa Bay Water – 2023 Annual Budget

Divisional Operating Budget Detail

The IT Business and Applications group creates databases that hold our enterprise data, writes custom software application programs for all other departments of the Agency, such as computerized scientific models and data analysis programs, and provides support of third-party software such as MUNIS, Maximo and Aurigo Masterworks. Once a computer program is written, it must be maintained (changed or updated) periodically due to user requests, technology advancement or the changing business needs of the Agency. In addition, IT Applications provides various end user support, such as loading bulk data into our databases, manages our MUNIS financial system, end-user testing, training, and user manuals for custom application programs. The Business and Applications group also provides for the ongoing GIS needs of the agency.

IT Business and Applications Goals & Objectives

- Completion of Long-Term Demand Forecast System (LTDFS) database and associated geocoding capabilities refresh.
- Maintenance and documentation of the agency's enterprise database including data acquisition (SCADA, Wireless, Manual, SWFWMD, NOAA, USGS) and QA/QC, support for regulatory compliance reporting and data transfers.
- Continued support of MUNIS including extension applications such as Timesheets and Vacation Planner.
- Support for Maximo EZMax mobile.
- Obtain Service Organization Control (SOC) reports for IT service providers and review reports for internal controls.
- Create data dictionary of terms and unique identifiers (UIDs), to include basic data structures.
- Extend Integrated Northern Tampa Bay timeseries and improve Surface Water flow response for Integrated Hydrologic Model.
- Develop policy/procedure that clearly delineates data management roles and responsibilities of the IT Department and other Agency departments and functional units.

Tampa Bay Water – 2023 Annual Budget

Divisional Operating Budget Detail

The IT Security and Infrastructure group installs and maintains the Agency's computer hardware (servers, PCs, mobile laptops, printers), data networks (within buildings and between locations), computer operating systems and communication systems. Staff also performs computer maintenance support throughout Tampa Bay Water, including daily and weekly data backups, maintaining our network security systems, and configuring and performing maintenance on our Supervisory Control and Data Acquisition (SCADA) systems.

IT Security and Infrastructure Goals & Objectives

- Drafting Standard Operating Procedures to standardize IT processes.
- Conversion to new domain
- Ongoing evaluation of communication vendors.
- Establish co-location of backup Agency servers (located off-site).
- Upgrade Agency's phone system.
- Network Security Installation.
- Managing Agency IT storage requirements

The IT SCADA group is responsible for the ongoing development, maintenance, and security of the Survalent SCADA system. This includes managing the communications infrastructure.

SCADA Systems Goals & Objectives

- Ongoing documentation of the SCADA system.
- Add DMZ network to SCADA.
- Cyber Security for SCADA system and field communication.
- SCADA integration with OROP.
- SCADA historian.
- SCADA system monitoring.
- SCADA management cluster and high availability enhancements.

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

Information Technology Department	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023
41000 Regular Salaries	-	-	-	-	-	1,407,100
41410 Overtime	-	-	-	-	-	1,100
41430 On-Call Pay	-	-	-	-	-	21,200
42100 FICA	-	-	-	-	-	109,500
42200 FRS	-	-	-	-	-	195,700
Total Personnel Services	-	-	-	-	-	1,734,600
55200 Operating Supplies	-	-	-	-	-	166,000
55260 Computer Software	-	-	-	-	-	10,000
55400 Books, Publ., Subs., Mbrshps.	-	-	-	-	-	9,400
55500 Training	-	-	-	-	-	30,000
Total Materials & Supplies	-	-	-	-	-	215,400
63190 Other Professional Services	-	-	-	-	-	930,136
63400 Other Services	-	-	-	-	-	1,971,600
Total Professional Services	-	-	-	-	-	2,901,736
64000 Travel & Per Diem	-	-	-	-	-	13,000
64005 Mileage & Tolls	-	-	-	-	-	3,000
64100 Communications Services	-	-	-	-	-	1,191,000
64120 Freight & Postage Services	-	-	-	-	-	800
64600 Repair & Maintenance	-	-	-	-	-	67,000
Total Repair & Other Services	-	-	-	-	-	1,274,800
64400 Rentals & Leases	-	-	-	-	-	40,000
Total Rent & Insurance	-	-	-	-	-	40,000
86400 Machine & Equipment	-	-	-	-	-	50,000
Total Capital Expenditures	-	-	-	-	-	50,000
Grand Total	-	-	-	-	-	6,216,536

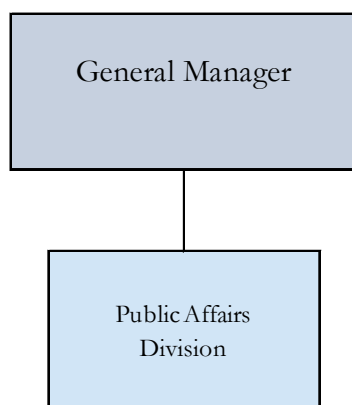
Information Technology Department was part of the Science Division in FY 2018 and part of the Finance and Administration Division in FY 2019 through FY 2022.

Tampa Bay Water – 2023 Annual Budget

Divisional Operating Budget Detail

Public Affairs Division

The Public Affairs Division develops and executes strategic initiatives to advocate for the agency and its members; build and maintain the agency reputation; and provide education, information and outreach on agency projects, programs, and policies to stakeholders. The Division includes Public Communications and Intergovernmental Affairs.



Public Communications develops and executes strategic communications programs that support and promote agency projects, policies, and initiatives, and builds and maintains relationships with stakeholders. The department is responsible for communicating the agency's messages through the media, the agency's website and social media sites, speaker's bureau presentations and through our employee communications program.

Public Communications Goals & Objectives

- Complete the agency's annual report to the legislature, board members, local water utility managers, water utility consultants and other interested stakeholders.
- Implement the agency's spring dry season communications program.
- Implement the annual water wise awards program and source water protection mini grant program communications.
- Manage relationships with news media by responding to information and interview requests, preparing Agency staff for responding to news media inquiries through training and preparing key messages, and generating news story interest.
- Manage direct communications with the public including facility tours and Speakers Bureau coordination, and in-person, telephone, and email communications.
- Manage the agency's digital/Web/online communication channels including all Agency websites, e-newsletters, social media, mobile and intranet.
- Maintain standards to ensure that communications activities are consistent with the Amended and Restated Inter-local Agreement, Master Water Supply Contract, and the Agency Strategic Plan.

Tampa Bay Water – 2023 Annual Budget

Divisional Operating Budget Detail

Intergovernmental Affairs advocates for agency legislative, funding, and regulatory initiatives through strategy development, relationship building, member government support and inter- agency coordination. The department is responsible for communicating agency positions with federal and state legislators, regulatory and policy agencies, and government officials and their staff. The department implements intergovernmental and grant funding initiatives and helps to implement intergovernmental and funding agreements.

Intergovernmental Affairs Goals & Objectives

- Inform federal, state, and regional decision-makers about Tampa Bay Water accomplishments and needs. Provide them with assistance and expertise on water supply policies, water management needs, and technical topics.
- Include Tampa Bay Water's future funding needs in federal, state, and regional water policy and infrastructure funding discussions.
- Support approved federal and state legislation and policies which may positively affect Tampa Bay Water. Oppose approved federal and state legislation and policies that may negatively impact Tampa Bay Water.
- Support regulatory agency policies and rules that benefit Tampa Bay Water. Oppose regulatory agency policies and rules that would be negative for Tampa Bay Water.
- Work with our member governments to understand the issues they face at the local level and to enhance their knowledge of regional water issues.
- Participate in national and state professional organization efforts to promote beneficial federal, state, and regional water policies and drinking water supply funding opportunities.

Tampa Bay Water – 2023 Annual Budget
Divisional Operating Budget Detail

Public Affairs Division	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023
41000 Regular Salaries	351,183	364,958	427,741	455,938	557,500	579,400
41410 Overtime	-	-	16	261	600	500
42100 FICA	25,934	27,594	31,380	33,397	42,800	44,500
42200 FRS	34,485	52,599	47,358	54,964	90,900	95,300
42300 Life & Health Insurance	37,392	54,322	85,493	77,880	-	-
Total Personnel Services	448,994	499,474	591,987	622,440	691,800	719,700
55100 Office Supplies	582	-	(18)	102	750	1,500
55200 Operating Supplies	4,058	6,564	29,077	21,529	76,000	34,500
55260 Computer Software	2,999	3,367	3,749	-	-	-
55400 Books, Publ., Subs., Mbrshps.	19,665	29,550	12,107	28,304	33,195	134,805
55500 Training	2,525	5,347	995	4,731	8,750	6,500
Total Materials & Supplies	29,829	44,828	45,910	54,665	118,695	177,305
63190 Other Professional Services	390,086	220,307	254,180	346,098	342,500	455,000
63400 Other Services	49,179	93,722	101,927	118,171	72,400	60,650
Total Professional Services	439,265	314,029	356,107	464,270	414,900	515,650
64000 Travel & Per Diem	5,453	806	-	(472)	10,000	5,000
64005 Mileage & Tolls	1,543	1,340	1,007	246	3,000	2,500
64120 Freight & Postage Services	2,407	3,956	3,235	1,874	4,000	6,000
64600 Repair & Maintenance	1,027	-	-	-	-	5,000
64700 Printing & Binding	20,439	23,754	6,018	10,148	23,000	22,300
64800 Promotional Activities	99,797	123,261	38,300	31,100	100,000	105,000
64810 Advertising	168,133	9,838	42,449	13,215	80,000	130,000
64990 Other Current Charges	1,394	1,132	2,916	1,429	-	2,500
Total Repair & Other Services	300,193	164,086	93,924	57,540	220,000	278,300
64400 Rentals & Leases	-	-	-	-	-	6,500
Total Rent & Insurance	-	-	-	-	-	6,500
86400 Machine & Equipment	3,257	101,712	14,279	-	20,000	-
Total Capital Expenditures	3,257	101,712	14,279	-	20,000	-
Grand Total	1,221,537	1,124,129	1,102,207	1,198,914	1,465,395	1,697,455

Summary of Contracts and Resolutions

Fiscal Year 2023

The Summary of Contracts and Resolutions section provides key contractual requirements of the Master Water Supply Contract, the Amended and Restated Interlocal Agreement, and the Master Bond Resolution.

Tampa Bay Water – 2023 Annual Budget Summary of Contracts and Resolutions

Tampa Bay Water activities are governed primarily by two agreements with the Member Governments:

- The Amended and Restated Interlocal Agreement and
- The Master Water Supply Contract

Activities and budgetary considerations are further influenced by the Master Bond Resolution.

The fiscal year 2023 budget is developed within the framework of these agreements. This section provides key terms and conditions of the agreements.

Amended and Restated Interlocal Agreement

Section 2.08 - Annual Budget

- (A) Prior to July 1 of each year, the General Manager shall prepare and deliver to the Board a balanced tentative budget for Tampa Bay Water covering its operating and other financial requirements for the ensuing fiscal year. The tentative budget shall identify (1) the rate at which Quality Water will be sold to Members Governments' during such fiscal year, and (2) the rate to be charged to Tampa for water provided through the Tampa Bypass Canal pumping facility during such fiscal year.
- (B) The Board shall publish a notice of its intention to adopt the budget and shall provide copies of the notice and tentative budget to each Member Government on or before the first publication date. The notice shall be published once a week for two consecutive weeks within thirty days of the public hearing, the last insertion of which shall appear not less than one week prior to the date set by the Board for the hearing on the budget and rates.
- (C) At the time, date and place specified in the notice, the Board shall conduct a public hearing and thereafter may consider adoption of the budget and rates with any amendments it deems advisable. Unless otherwise authorized by the Board, the final budget and rates shall be adopted by August 1.

Section 3.03 - Obligation to meet Water Needs

This section includes the following key requirements:

- (A) The Agency has the absolute and unequivocal obligation to meet the Quality Water needs of the Member Governments.
- (B) The Agency shall oppose any permit, order, rule or other regulatory effort to reduce or limit the permitted capacity of its Water Supply Facilities, unless the reduction or limitation results from an agreement to which all Member Governments are parties, or the reduction or limitation will not become effective until adequate Replacement Capacity has been placed in service.

**Tampa Bay Water – 2023 Annual Budget
Summary of Contracts and Resolutions**

(C) The General Manager shall actively monitor the relationship between the quantity of Quality Water actually delivered by the Authority to the Member Governments and the aggregate permitted capacity of the Agency's production facilities.

1. If the actual delivery of Quality Water to the Members exceeds 75 percent of the aggregate permitted capacity of the Agency's production facilities, the General Manager shall report to the Board and recommend that the Agency initiate preparation of Primary Environmental Permit applications necessary to ensure an adequate supply.
2. If the actual delivery of Quality Water to the Members exceeds 85 percent of the aggregate permitted capacity of the Agency's production facilities, the General Manager shall report to the Board and recommend that the Agency file Primary Environmental Permit applications necessary to ensure an adequate supply.

(D) It is acknowledged and agreed that the Water delivered by the Authority (1) from the South Central Hillsborough Wellfield to the Lithia Water Treatment Plant, (2) from the Starkey and North Pasco Wellfields to the Maytum Water Treatment Plant, (3) from the Starkey and North Pasco Wellfields to the Little Road Water Treatment Plant, (4) from the Eldridge-Wilde Wellfield to the Keller Water Treatment Plant, (5) from the Cosme-Odessa Wellfield to the Cosme Water Treatment Plant, (6) from the Morris Bridge Wellfield to the Morris Bridge Water Treatment Plant, and (7) from the Tampa Bypass Canal to the Hillsborough River Reservoir, will not meet the standards for Quality Water.....the Member Governments receiving such water....will be entitled to a credit against the uniform rate.

Section 3.04 - Uniform Rate

Tampa Bay Water shall establish a single uniform rate for the sale of quality water to Member Governments subject to the following adjustments:

- (1) Actual direct costs to perform the additional treatment required to meet the standard for quality water;
- (2) If a Member Government requests Tampa Bay Water provide other treatment beyond what is necessary to meet quality water standards;
- (3) Credits for transferred assets assuming each Member has elected to receive a credit, inclusive of interest, shall be applied against the water rate over 30 years;

The rate for the sale of quality water to Member Governments shall be established for each fiscal year in Tampa Bay Water's annual budget.

Section 3.08(D) - Surface Water Sources

Notwithstanding the provisions of Section 3.04 hereof, the rate charged to City of Tampa for water provided through the Tampa Bypass Canal Pumping Facility will be equal to Tampa Bay Water's direct cost and allocated overhead.

Master Water Supply Contract

Section 8 - Authority's Agreement to Provide Water Service

This section of the contract provides that:

- (A) The Agency shall sell and deliver sufficient Quality Water to the Member Governments to meet their needs and the Member Governments shall purchase and receive the Quality Water delivered.
- (B) The Agency shall be in default under the contract if it fails to supply the Quality Water needs of the Member Governments, except when due to force majeure.

Section 13-Rate

The following excerpts are fundamental to the budget process.

- (B) Rates in effect each fiscal year shall be sufficient to pay the annual estimate established by Tampa Bay Water. Monthly charges for such water service are based on the rate approved by Tampa Bay Water and total volume of quality water delivered to such Member Governments by Tampa Bay Water.
- (C) The rate to be charged may include the following components:
 - Operation, Maintenance, and Administrative costs;
 - Debt service charges;
 - Renewal and Replacement charges;
 - Bond coverage costs;
 - Capital Improvement charges;
 - Operating Reserve Funds;
- (D) The Member Governments agree that Tampa Bay Water may establish a rate stabilization fund. Operation, Maintenance and Administrative costs and/or Operating Reserve Funds may be utilized by Tampa Bay Water to fund such Rate Stabilization Fund.
- (E) Annual True-up: Following the end of each fiscal year, an annual adjustment in the fixed costs component of bills paid during that fiscal year shall be computed on the basis of:
 - The fixed costs which are provided in the Annual Estimate in effect during the fiscal year then ended
 - The actual amount of quality water delivered to each of the Member Governments during the fiscal year then ended
- (F) Carry Forward: Any unencumbered monies of Tampa Bay Water present at the end of the fiscal year shall be budgeted by Tampa Bay Water for the succeeding fiscal year and shall be utilized for the same purposes for which rates are charged by Tampa Bay Water.

**Tampa Bay Water – 2023 Annual Budget
Summary of Contracts and Resolutions**

Monthly Billing

In accordance with the Master Water Supply Contract provisions, Tampa Bay Water bills the Member Governments for the Quality Water delivered to them on a monthly basis. The monthly bill could include Fixed costs, Variable costs, annual credits to Member Governments for the purchase of water supply facilities by Tampa Bay Water, water quality credits for treatment of Hydrogen Sulfide, and any other credit(s)/surcharge(s) as authorized by the Board.

A brief discussion of how the Fixed Costs, Variable Costs, and the costs associated with the water delivered to Tampa from the Tampa Bypass Canal are calculated and billed to the Member Governments is presented below:

Fixed Costs

Each Member Government is required to pay monthly an amount equal to one-twelfth of the Fixed Costs provided in the Annual Estimate times “A” divided by “B”, where “A” equals the amount of Quality water delivered to such Member Government during the previous fiscal year and “B” equals the total amount of Quality Water delivered to all Member Governments during such fiscal year.

Monthly Fixed Costs Billed to the Member Government	=	$\frac{\text{Total Fixed Costs}}{12}$	X	$\frac{\text{Amount of Quality Water consumed byMember Government during the priorFiscal Year (A)}}{\text{Total Amount of Quality Waterconsumed by all Member Governmentsduring the prior Fiscal Year (B)}}$
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As indicated above, Tampa Bay Water allocates the Fixed Costs to each Member Government based on that Member Government’s share of the total Quality Water delivered to all Member Governments during the prior fiscal year. The annual Fixed Costs allocated to the Member Government is billed in twelve equal monthly installments. Following the end of each fiscal year, Tampa Bay Water is required to perform an annual true-up of the budgeted Fixed Costs components of bills paid during that fiscal year based on the actual amount of Quality Water delivered to each Member Government during the fiscal year then ended.

**Tampa Bay Water – 2023 Annual Budget
Summary of Contracts and Resolutions**

Variable Costs

Each Member Government is required to pay monthly an amount equal to the amount of Quality Water consumed by the Member Government during the prior month times the Uniform Rate (\$/1,000 gallons) then in effect times “C” divided by “D”, where “C” equals the Variable Costs and “D” equals the Annual Estimate (the net annual revenue requirements for the purposes of billing) then in effect.

Monthly Variable Costs Billed to the Member Government	=	Amount of Monthly Quality Water Consumed Prior Month	X	Uniform Rate	X	Total Variable Costs (C) [total variable costs included in the approved annual budget for the current fiscal year]
						Total Annual Estimate (D) [the net annual revenue required for the current fiscal year]

Since the budgeted Variable Costs are allocated to the Member Governments based on their actual consumption of Quality Water, there is no requirement in the Interlocal Agreement or the Master Water Supply Contract to perform an annual true-up of Variable Costs at the end of the fiscal year. Tampa Bay Water recognizes that the actual annual revenues (Variable Costs element only) may be different from the budgeted Variable Costs, if the actual amount of Quality Water delivered to the Member Governments for the given fiscal year is different from the projected amount of Quality Water used for the rate calculation for such fiscal year. Any overage or shortage in actual revenues as a result of this contractual provision is not expected to be material since the Variable Costs are expected to change in direct proportion to changes in the volume of Quality Water delivered to the Member Governments.

Surface Water Source(s)

In accordance with Section 3.08(D) of the Interlocal Agreement, Tampa Bay Water is required to charge a separate rate for water delivered to the City of Tampa from the Tampa Bypass Canal facility. The rate charged to the City of Tampa is equal to Tampa Bay Water’s direct cost plus Allocated Overhead associated with the Tampa Bypass Canal facility and is established as part of the annual budget development process. A unit rate (\$/1,000 gallons) is determined for the water delivered to the City of Tampa from the Tampa Bypass Canal facility, based on the projected quantity of water to be delivered to the City of Tampa from the Tampa Bypass Canal facility during the fiscal year. Tampa Bay Water bills the City of Tampa on a monthly basis for the actual amount of water consumed from the Tampa Bypass Canal facility for the prior month.

In summary, a wholesale water rate is calculated as part of the annual estimate. Each Member pays their pro-rata share of Fixed and Variable Costs based on their water usage. Those Member Governments facing reductions in permitted supply or rapid population growth will share regionally the cost of developing new water supplies. Voting rights are equitably balanced among the three counties.

Master Bond Resolution 98-07TBW

Section 1.01 Definitions

“Reserve Account Requirement” shall mean, as of any date of calculation for the Reserve Account, an amount equal to the lesser of (1) Maximum Annual Debt Service for all Outstanding Bonds, (2) 125% of the average Annual Debt Service for all Outstanding Bonds, or (3) the maximum amount allowed to be funded from proceeds of tax-exempt obligations and invested at an unrestricted yield pursuant to the Code; provided, however, the Issuer may establish by Supplemental Resolution a different Reserve Account Requirement for a subaccount of the Reserve Account which secures a Series of Bonds pursuant to Section 4.05(B)(4) hereof. In computing the Reserve Account Requirement in respect of a series of Bonds that constitutes Variable Rate Bonds, the interest rate on such Bonds shall be assumed to be (A) if such Variable Rate Bonds have been Outstanding for at least 24 months prior to the date of calculation, the highest average interest rate borne by such Variable Rate Bonds for any 30-day period, and (B) if such Variable Rate Bonds have not been Outstanding for at least 24 months prior to the date of calculation, the Bond Buyer Revenue Bond Index most recently published prior to the time of calculation. The time of calculation for Variable Rate Bonds shall be each March 1.

Section 1.04. Findings

- (L) That the estimated Gross Revenues to be derived in each year hereafter from the operation of the System will be sufficient to pay all the Operating Expenses, the principal of and interest on the Bonds to be issued pursuant to this Resolution, as the same become due and all other payments provided for in this Resolution.

Section 4.04. Creation of Funds and Accounts

The Issuer covenants and agrees to establish with a bank, trust company or such other entity in the State, which is eligible under the laws of the State to be a depository for its funds the following funds and accounts:

- (A) The “Tampa Bay Water Utility System Revenue Fund.” The Issuer shall maintain two separate accounts in the Revenue Fund: The “Revenue Account” and the “Rate Stabilization Account.”
- (B) The “Tampa Bay Water Utility System Operation, Maintenance and Administration Fund.”
- (C) The “Tampa Bay Water Utility System Sinking Fund.” The Issuer shall maintain four separate accounts in the Sinking Fund: the “Interest Account,” the “Principal Account,” the “Term Bonds Redemption Account” and the “Reserve Account.”
- (D) The “Tampa Bay Water Utility System Renewal and Replacement Fund.”
- (E) The “Tampa Bay Water Utility System Capital Improvement Fund.”
- (F) The “Tampa Bay Water Utility System Utility Reserve Fund.”
- (G) The “Tampa Bay Water System Rebate Fund.”

Section 4.06 Capital Improvement Fund

The Issuer shall deposit into the Capital Improvement Fund all Capital Improvement Charges as received and such Capital Improvement Charges shall be accumulated in the Capital Improvement Fund and applied by the Issuer in the following manner and order of priority:

- (A) For the payments on or prior to each principal and interest payment date (in no event earlier than the 25th day of the month next preceding such payment date) into the Interest account, the Principal Account and the Term Bonds Redemption Account when the moneys therein are insufficient to pay the principal of and interest on the Bonds coming due, but only to the extent moneys transferred from the Utility Reserve Fund, the Reserve Account, the Renewal and Replacement Fund and the Rate Stabilization Account for such purpose pursuant to Section 4.05(B)(7), 4.05(B)(4), 4.05(B)(5) and 4.08, respectively, hereof shall be inadequate to fully provide for such insufficiency. Any moneys transferred to the aforementioned accounts described above shall be repaid from Gross Revenues and described in Section 4.05(B)(7) hereof on or prior to the date such amounts are needed for the purposes described in Sections 4.06(B) hereof.

Section 5.03. Annual Budget

The issuer shall prepare and adopt, prior to the beginning of each Fiscal Year, an Annual Budget in accordance with any applicable law. No expenditure for Operating Expenses of the System shall be made in any Fiscal Year in excess of the aggregate amount provided for Operating Expenses in the Annual Budget, (A) without a written finding and recommendation by an Authorized Issuer Officer, which finding, and recommendation shall state in detail the purpose of and necessity for such increased expenditures, and (B) until the Governing Body shall have approved such finding and recommendation by resolution.

Section 5.04. Rates

For the Fiscal Year commencing October 1, 1998, and for each Fiscal Year thereafter, the Issuer shall fix, establish, maintain and collect such rates, fees and charges for the product, services and facilities of its System, and revise the same from time to time, whenever necessary, so as always to provide in each Fiscal Year:

- (A) Net Revenues, together with the Fund Balance, equal to at least 125% of the Annual Debt Service becoming due in such Fiscal Year; provided

(B) Such Net Revenues shall be adequate at all times to pay in each Fiscal Year at least 100% of (1) the Annual Debt Service becoming due in such Fiscal Year, (2) any amounts required by the terms hereof to be deposited in the Reserve Account or with any issuer of a Reserve Account Letter of Credit or Reserve Account Insurance Policy in such Fiscal Year, (3) any amounts required by the terms hereof to be deposited in the Renewal and Replacement Fund in such Fiscal Year, and (4) any amounts required by the terms of Section 4.06(A) hereof to be repaid to the Capital Improvement Fund in such Fiscal Year.

Such rates, fees or other charges shall not be so reduced so as to be insufficient to provide adequate Net Revenues for the purposes provided therefore by this Resolution.

Section 5.11. Enforcement of Charges

The Issuer shall promptly bill the Member Governments for water consumed by such Member Governments in accordance with the terms of the Master Water Supply Contract. The Issuer shall compel the prompt payment of rates, fees and charges imposed in connection with the System, and to that end will vigorously enforce all of the provisions of the Master Water Supply Contract and any other agreement in may enter into for the supply of water.

Section 5.12. Amendments to Interlocal Agreement and Master Water Supply Contract

The Issuer agrees that it will not make any amendment or modification to the Master Water Supply Agreement which, in its judgment, will materially adversely affect the rights or security of the Holders of the Bonds. The Issuer acknowledges that the Member Governments agreed in the Master Water Supply Contract not to make any amendment to the Interlocal Agreement which would materially adversely affect the rights or security of the Holders of the Bonds. The Issuer agrees to enforce the aforementioned provisions in order to protect the rights and security of the Bondholders.

Section 5.14. Consulting Engineers

The Issuer shall at all times employ Consulting Engineers, whose duties shall be to make any certificates and perform any other acts required or permitted of the Consulting Engineers under this Resolution, and also to review the construction and operation of the System, to make an inspection of the System at least once every three years, and to submit to the Issuer a report with respect to each such inspection with recommendations as to the proper maintenance, repair and operation of the System during the ensuing Fiscal Year(s), including recommendations for expansion and additions to the System to meet anticipated service demands and an estimate of the amount of money necessary for such purposes. The Consulting Engineers shall annually recommend the amount of the Renewal and Replacement Fund Requirement. Copies of such reports, recommendations and estimates made as herein above provided shall be filed with the Issuer for inspection by Bondholders, if such inspection is requested, and shall be mailed to any Member Government requesting the same.

Appendix

Fiscal Year 2023

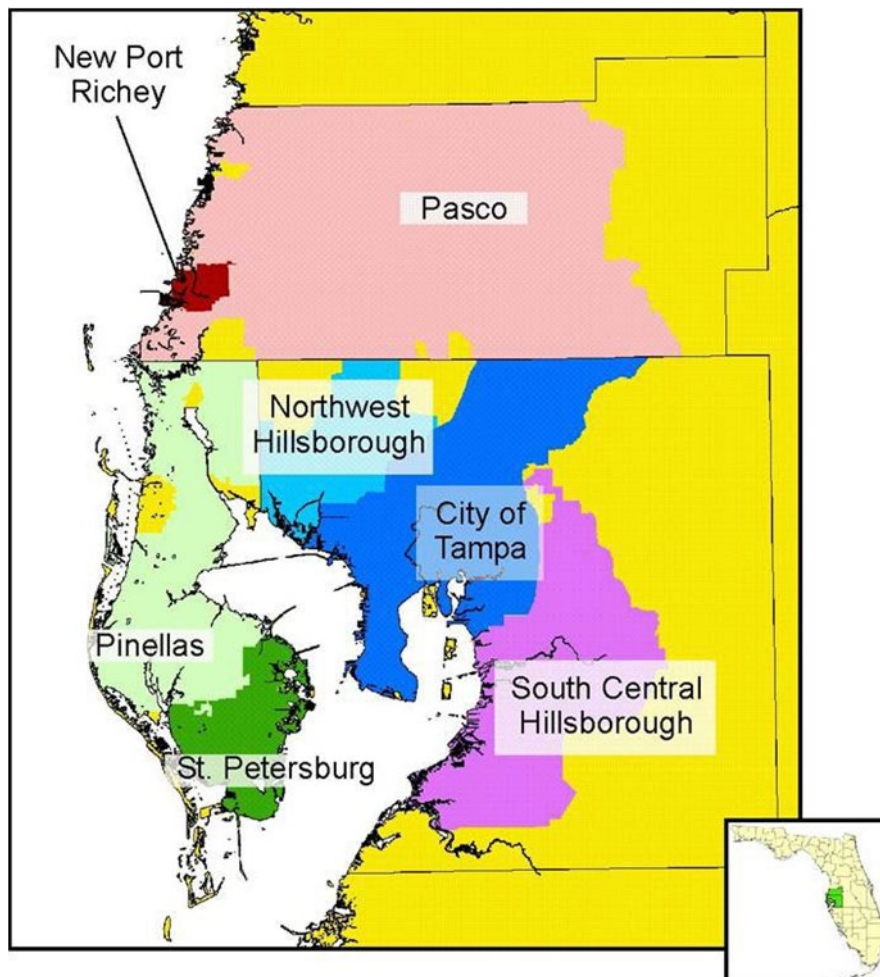
The Appendix includes a schedule of key dates for the budget process for fiscal year 2023. It also provides demographic and statistical information for Tampa Bay Water's service area, and information to assist the Member Governments in the planning of their annual budgets.

Tampa Bay Water Service Area Demographics and Statistical Information

Development of Tampa Bay Water's annual budget is largely based on member annual and monthly water demand forecasts. Demographic and statistical information is used to forecast annual and long-term water demand for the Tampa Bay Water service area.

Tampa Bay Water currently divides its service area into seven geographic sub-areas associated with distinct members:

- City of New Port Richey
- Pasco County
- Pinellas County
- City of St. Petersburg
- Northwest Hillsborough and South-Central Hillsborough¹
- City of Tampa

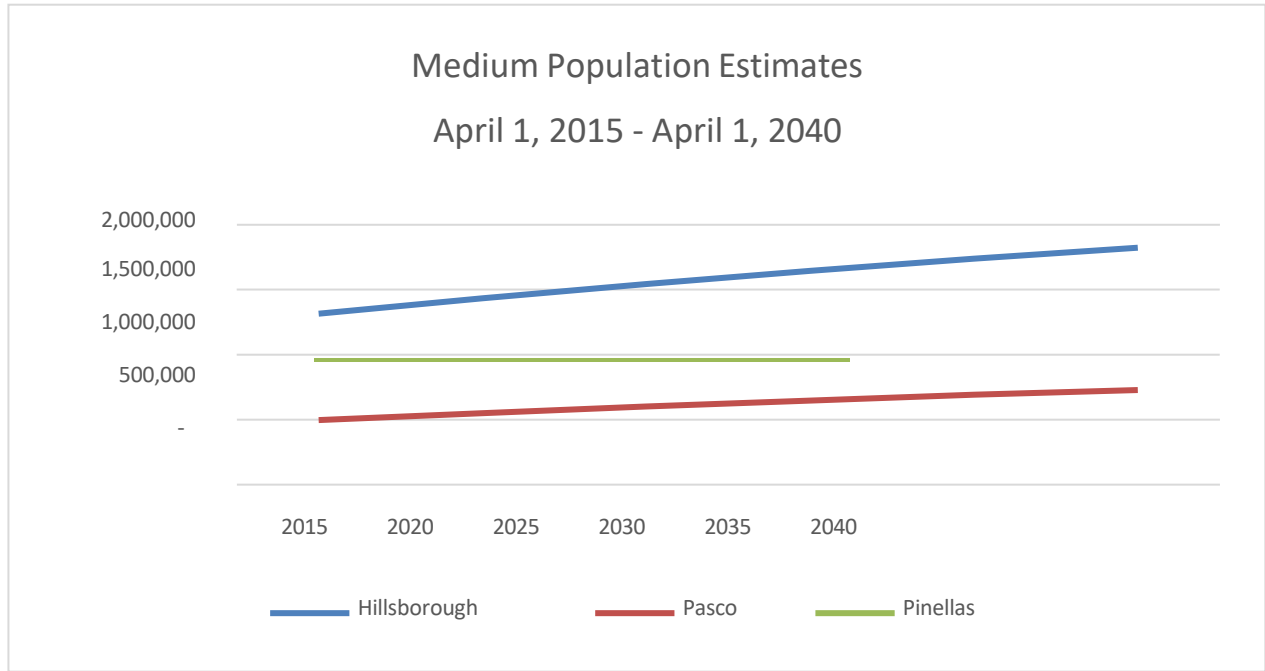


¹ Northwest Hillsborough and South-Central Hillsborough are parts of the Hillsborough County service area but are geographically split by the City of Tampa service area.

Tampa Bay Water – 2023 Annual Budget Appendix

Population

Part of forecasting water demand for Tampa Bay Water’s service area involves obtaining population growth projections for the region.



Source: B.E.B.R.

The medium county-level population projection from the Bureau of Economic and Business Research (BEBR) at the University of Florida, show relatively high population growth in Pasco and Hillsborough Counties and no significant growth in Pinellas County, which affects regional water demand forecasts.

Tampa Bay Water – 2023 Annual Budget
Appendix

Households

Tampa Bay Water also utilizes housing information to estimate growth and to determine drivers of residential users. Census and housing information obtained from BEBR further illustrates the high growth in Hillsborough and Pasco Counties, while growth in Pinellas has declined.

	Census April 1, 2000		Census April 1, 2010		Est. April 1, 2017	
	Households	Average Household Size	Households	Average Household Size	Households	Average Household Size
FLORIDA	6,338,075	2.46	7,420,802	2.48	8,125,176	2.47
Hillsborough	391,357	2.51	469,660	2.55	474,030	2.54
Pasco	147,567	2.30	189,612	2.42	206,036	2.42
Pinellas	414,974	2.17	415,876	2.16	439,880	2.14

	Numerical Change			
	Households		Average Household Size	
	2000-2010	2010-2017	2000-2010	2010-2017
FLORIDA	1,082,727	704,343	0.02	-0.01
Hillsborough	82,673	58,470	0.04	-0.01
Pasco	42,045	16,424	0.12	0
Pinellas	902	24,004	-0.01	-0.02

	Percentage Change			
	Households		Average Household Size	
	2000-2010	2010-2017	2000-2010	2010-2017
FLORIDA	17.1	9.5	0.8	-0.4
Hillsborough	21.1	12.3	1.6	-0.4
Pasco	28.5	8.7	5.2	0.0
Pinellas	0.2	5.8	-0.5	-0.9

Source: BEBR

Tampa Bay Water – 2023 Annual Budget

Appendix

Climate Data

One of the many elements used in determining long term demand forecasts is meteorological information. Tampa Bay Water uses historical weather data, including daily rainfall totals and maximum daily temperatures that are collected from multiple National Oceanic and Atmospheric Administration (NOAA), United States Geological Survey (USGS), and Tampa Bay Water weather recording stations dispersed across the Tampa Bay Water service area. The chart below shows the points that were used to develop Tampa Bay Water's Long-Term Demand Forecast Model.

Weather Stations Used in Modeling

Station	Owner	County	Beginning of Period of Record	Rainfall Data Used for Modeling Period?	Temperature Data Used for Modeling Period?	Rainfall Data Used for Long-Term Weather?	Temperature Data Used for Long-Term Weather?
S21-21-10	TBW	Hillsborough	10/1/1984	✓			
CYB-CY-7 RAIN	TBW	Pasco	10/4/1988	✓			
CYB-TOT RAIN	TBW	Pasco	2/21/1986	✓			
CYC-C-3 RAIN	TBW	Pasco	9/1/1976	✓			
CYC-N. GATE RAIN	TBW	Pasco	11/1/1985	✓			
CYC-PLANT RAIN	TBW	Pasco	5/2/1976	✓			
NEB-DAYS INN RAIN	TBW	Hillsborough	10/1/1988	✓			
NOP-NP-RAIN	TBW		4/9/1990	✓			
NWH-NW-5 RAIN	TBW	Hillsborough	10/1/1983	✓			
SCH-SC-1 RAIN	TBW	Hillsborough	3/1/1985	✓			
STK-14 RAIN	TBW	Pasco	10/4/1988	✓			
STK-RAIN EAST	TBW	Pasco	2/13/1986	✓			
STK-WEST - STK PLANT	TBW	Pasco	7/1/1982	✓			
KPIE (St. Pete/Clearwater Airport) *	NOAA	Pinellas	1/1/1893	✓			
KSPG (Albert Whitted Airport)	NOAA	Pinellas	7/1/1966	✓	✓	✓	✓
KTPA (Tampa International Airport)	NOAA	Hillsborough	1/2/1933	✓	✓	✓	✓
MB RN USGS	USGS	Hillsborough	10/15/1993	✓			
St Leo Rainfall	NOAA	Pasco	1/1/1902	✓	✓	✓	✓
Ruskin NWS	NOAA	Hillsborough	11/1/2001	✓			
Tarpon Springs Rainfall	NOAA	Pinellas	7/3/1948	✓	✓	✓	✓
Plant City#	NOAA	Hillsborough	2/1/1903^		✓		✓

* Despite the long period-of-record, KPIE could not be used as a long-term station because of a significant gap of missing records spanning 6/30/1966 to 10/23/2002.

Plant City was not used in developing modeling-period and long-term rainfall estimations because it was located outside the service area, while other rainfall stations were available within the eastern service area. However, Plant City was used in developing modeling-period and long-term temperature estimations because it was the only station near the southeastern service area with temperature data covering both the modeling period and the long-term weather period.

^The earliest month with complete temperature data for Plant City was February 2003.

Tampa Bay Water – 2023 Annual Budget Appendix

The following climatic information is based on data collected from weather stations used in Tampa Bay Water’s Long-Term Demand Forecast Model.

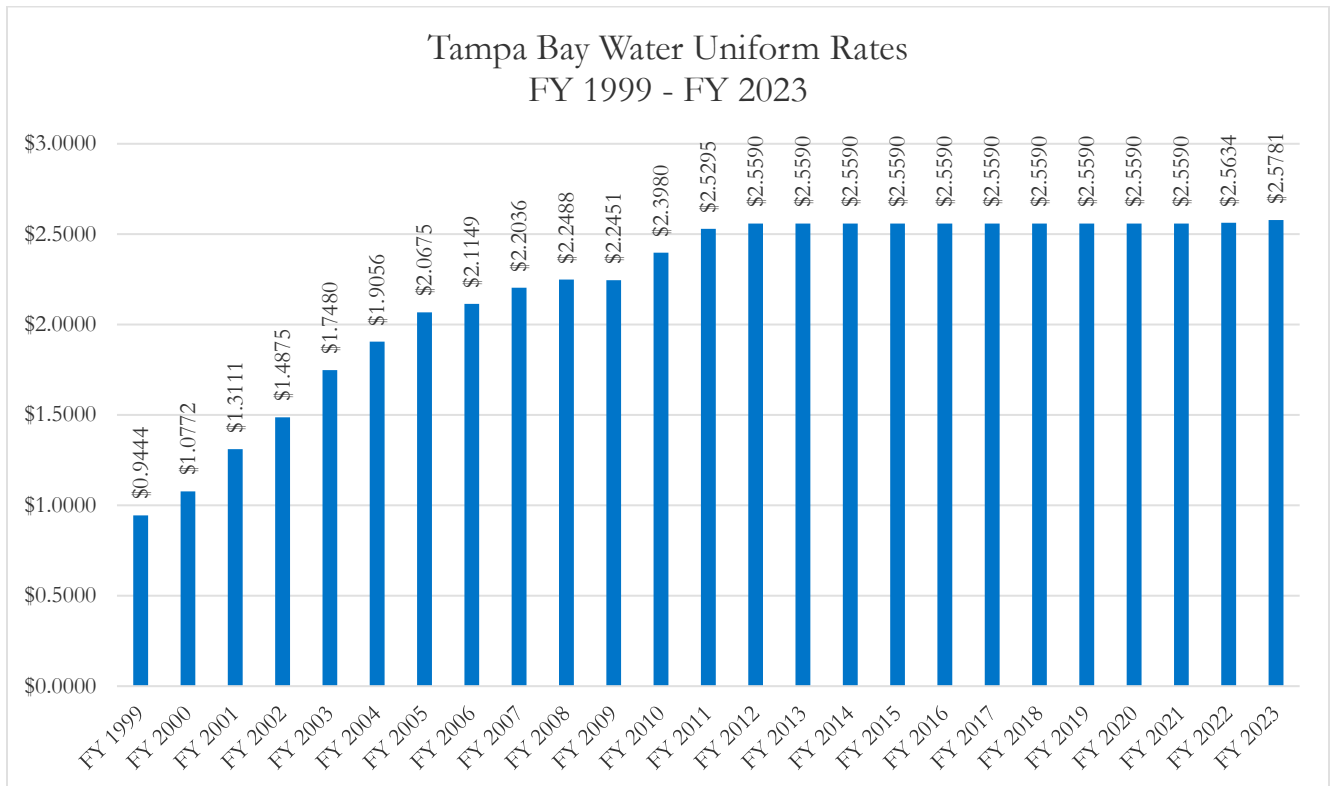
Long-Term Normal Weather Values by Water Demand Planning Area (WDPA) and Month-Of-Year							
	Mean Maximum Daily Temperature						
	Pasco Co.	New Port Richey	NW Hillsborough Co.	SC Hillsborough Co.	City of Tampa	Pinellas Co.	City of St. Petersburg
Jan	70.919	70.346	70	70.249	70.049	69.849	68.81
Feb	73.8	72.969	72.606	72.944	72.672	72.454	71.422
Mar	78.113	77.328	76.947	77.201	76.993	76.783	75.669
Apr	82.844	81.799	81.585	81.817	81.655	81.397	80.425
May	88.518	87.216	87.27	87.447	87.387	87.009	86.096
Jun	90.968	90.34	90.078	90.138	90.068	89.993	89.366
Jul	91.795	91.409	90.863	90.972	90.784	90.913	90.477
Aug	91.624	91.471	90.838	90.8	90.717	90.858	90.155
Sep	90.013	89.878	89.357	89.268	89.26	89.308	88.448
Oct	85.036	84.905	84.477	84.395	84.41	84.385	83.456
Nov	79.133	78.945	78.543	78.516	78.507	78.412	77.351
Dec	73.035	72.871	72.357	72.498	72.328	72.295	71.382
Annual Avg.	82.983	82.456	82.077	82.187	82.069	81.971	81.088
	Mean Number of 0.01-inch Rainy Days						
	Pasco Co.	New Port Richey	NW Hillsborough Co.	SC Hillsborough Co.	City of Tampa	Pinellas Co.	City of St. Petersburg
Jan	7.542	7.877	6.869	6.627	6.59	6.945	6.164
Feb	4.994	6.394	5.532	5.378	5.343	5.741	5.211
Mar	6.42	6.794	6.156	5.952	5.982	6.18	5.495
Apr	4.104	4.543	4.158	3.997	4.066	4.14	3.521
May	4.566	4.112	4.364	4.329	4.437	4.159	3.79
Jun	12.191	10.572	10.721	10.587	10.705	10.393	9.803
Jul	15.096	14.548	14.088	13.893	13.93	13.993	13.288
Aug	15.34	14.302	14.562	14.411	14.611	14.246	13.515
Sep	11.745	11.527	11.364	11.352	11.302	11.39	11.409
Oct	5.462	5.594	5.264	5.123	5.174	5.243	4.733
Nov	4.653	5.288	4.592	4.4	4.419	4.662	4.003
Dec	5.265	5.309	5.045	4.976	4.973	5.024	4.68
Annual	97.378	96.86	92.715	91.025	91.532	92.116	85.612
	Mean Number of 1-inch Rainy Days						
	Pasco Co.	New Port Richey	NW Hillsborough Co.	SC Hillsborough Co.	City of Tampa	Pinellas Co.	City of St. Petersburg
Jan	0.847	0.768	0.652	0.626	0.615	0.646	0.547
Feb	0.737	0.616	0.636	0.642	0.636	0.623	0.644
Mar	1.156	1.247	0.98	0.947	0.905	1.028	0.949
Apr	0.517	0.454	0.408	0.405	0.392	0.405	0.386
May	0.559	0.58	0.538	0.534	0.526	0.55	0.547
Jun	1.949	1.55	1.53	1.524	1.511	1.485	1.426
Jul	1.748	1.949	1.694	1.619	1.628	1.72	1.474
Aug	2.288	2.155	2.244	2.328	2.264	2.297	2.691
Sep	1.508	1.703	1.703	1.753	1.709	1.776	2.03
Oct	0.612	0.641	0.608	0.582	0.6	0.594	0.488
Nov	0.312	0.385	0.325	0.309	0.31	0.335	0.283
Dec	0.396	0.437	0.382	0.369	0.366	0.391	0.356
Annual	12.629	12.485	11.7	11.638	11.462	11.85	11.821
	Total Monthly Rainfall						
	Pasco Co.	New Port Richey	NW Hillsborough Co.	SC Hillsborough Co.	City of Tampa	Pinellas Co.	City of St. Petersburg
Jan	3.145	3.011	2.687	2.644	2.585	2.713	2.58
Feb	2.235	2.277	2.15	2.108	2.112	2.156	2.025
Mar	3.388	3.322	2.973	2.962	2.864	3.04	3.053
Apr	1.704	1.72	1.58	1.55	1.539	1.585	1.471
May	2.085	1.96	1.94	1.946	1.931	1.92	1.891
Jun	6.435	5.336	5.451	5.457	5.447	5.293	5.21
Jul	6.873	6.931	6.532	6.454	6.415	6.58	6.338
Aug	7.534	7.498	7.435	7.471	7.412	7.501	7.715
Sep	5.982	6.367	6.183	6.328	6.132	6.435	7.249
Oct	2.13	2.315	2.009	1.964	1.926	2.077	1.973
Nov	1.7	1.799	1.496	1.458	1.41	1.552	1.464
Dec	1.681	1.875	1.71	1.703	1.667	1.768	1.778
Annual	44.892	44.411	42.146	42.045	41.44	42.62	42.747

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POTENTIAL TRUE UP FOR FY 2022 AS OF 5/31/2022

MONTH-YEAR	Monthly Demand						TOTALS	
	ST PETE	PINELLAS	TAMPA (Morris Br)	HILLSBOROUGH	PASCO	NEW PORT RICHEY		
Oct-21	835.40	1,578.59	-	2,374.24	1,084.42	93.25	5,965.90	
Nov-21	782.79	1,413.32	-	2,123.28	950.72	84.68	5,354.79	
Dec-21	836.80	1,499.58	-	2,259.17	1,016.29	88.02	5,699.86	
Jan-22	824.68	1,484.25	-	2,214.27	971.64	87.01	5,581.85	
Feb-22	763.12	1,394.77	-	2,063.46	926.97	81.47	5,229.79	
Mar-22	860.40	1,582.70	-	2,313.48	1,048.85	88.69	5,894.12	
Apr-22	840.20	1,537.16	-	2,313.11	1,052.34	89.46	5,832.27	
May-22	900.08	1,622.60	-	2,458.90	1,178.12	96.85	6,256.55	
Jun-22							-	
Jul-22							-	
Aug-22							-	
Sep-22							-	
FY 21 FYE	9,781.96	18,034.74	12.97	26,087.41	12,364.79	1,164.84	67,446.71	184.79 MGD
FY 22 YTD	6,643.47	12,112.97	-	18,119.91	8,229.35	709.43	45,815.13	188.54 MGD
+ / -	(3,138.49)	(5,921.77)	(12.97)	(7,967.50)	(4,135.44)	(455.41)	(21,631.58)	3.75 MGD

FY22 YTD MGD	27.34	49.85	-	74.57	33.87	2.92	188.54
% of YTD	14.50%	26.44%	0.00%	39.55%	17.96%	1.55%	100.00%
FY 21 MGD	26.80	49.41	0.04	71.47	33.88	3.19	184.79
% of FY 21	14.50%	26.74%	0.02%	38.68%	18.33%	1.73%	100.00%
Fixed billed FY22	\$ 21,834,426.13	\$ 40,255,551.88	\$ 28,950.49	\$ 58,230,009.79	\$ 27,599,590.87	\$ 2,600,052.85	\$ 150,548,582.00
Actual fixed based on % of ytd	\$ 21,830,451.82	\$ 39,803,236.56	\$ -	\$ 59,542,049.90	\$ 27,041,655.74	\$ 2,331,187.98	\$ 150,548,582.00
Potential True-up	\$ (3,974.31)	\$ (452,315.32)	\$ (28,950.49)	\$ 1,312,040.11	\$ (557,935.13)	(268,864.87)	(0.00)



Tampa Bay Water – 2023 Annual Budget Appendix

Budget Development Schedule

December 13, 2021 - Budget packets distributed internally, meeting with Officers and Sr. Managers for “Fiscal Year 2023 Budget Kickoff.”

January 21, 2022 - Fiscal year 2023 budget submissions due from departments to finance at 5:00 p.m.

January 24-28, 2022 - Finance meets with Officers and Sr. Managers to review department 2023 budget requests.

February 1, 2022 - Member Governments will supply Tampa Bay Water with an updated Annual Report, in the form provided in Exhibit K of the Amended and Restated Interlocal Agreement, setting forth the next five fiscal years of projected water service demand from their service area.

February 11, 2022 - Preliminary draft of fiscal year 2023 budget distributed internally for review and comments by all departments and General Counsel.

February 18-24, 2022 - General Manager meeting with Officers and General Counsel to review program plans and outstanding issues.

March 4, 2022 - Redistribute preliminary draft fiscal year 2023 budget with changes resulting from February meetings.

March 7, 2022 - Executive Team meet to review program plans and outstanding issues.

March 14, 2022 - Draft of budget document prepared for internal management review.

March 26, 2022 - First bound copy of Proposed Fiscal Year 2023 Budget including annual estimate distributed to staff, Member Governments, and Board.

April 4–April 16, 2022 - Individual meetings with Member Governments to discuss proposed fiscal year 2023 budget.

April 15, 2022 - Tampa Bay Water contractual annual estimate due (will have been distributed last week of March).

April 18, 2022 - Board workshop, Tampa Bay Water Board sets preliminary fiscal year 2023 budget and schedules a public hearing for final budget approval on June 20, 2022.

June 20, 2022 - Public Hearing and Final Fiscal Year 2023 Budget approved by Board.

October 1, 2022 - Uniform Rate for Fiscal Year 2023 becomes effective.

October 15, 2022 - Fiscal Year 2022 post closing adjustment and reconciliation of fixed component to annual estimate distributed to members.

Glossary

Fiscal Year 2023

The Glossary includes an alphabetical list of terms used in the budget document and defined by the Amended and Restated Interlocal Agreement, the Master Water Supply Contract, and/or the Master Bond Resolution.

Tampa Bay Water – 2023 Annual Budget Glossary

Definitions

The following definitions were derived from the Interlocal Agreement and the Master Water Supply Contract. Unless otherwise specifically set forth, the following words and phrases used in the 2023 Budget document shall have the following meanings:

“Annual Estimate” means the estimate of Tampa Bay Water Costs for a Fiscal Year, including the estimated amount thereof to be payable by each Member Government, and submitted to each Member Government on an annual basis, as required by Section 13 of the Master Water Supply Contract. The Annual Estimate shall be based upon Tampa Bay Water’s proposed annual budget and estimated rate and shall consider the Annual Reports in determining the estimated amounts to be payable by each Member Government. (Is equivalent to Net Annual Revenue Requirement for establishing the Uniform Rate).

“Annual Report” means the report setting forth the next five (5) Fiscal Years of anticipated Water Service within the Water Service Areas for each of the Member Governments to be prepared by each such Member Government and submitted to Tampa Bay Water as required by Section 12 of the Master Water Supply Contract.

“Actual Direct Cost” means with respect to Water Treatment, the total capital and operating cost of providing such treatment, excluding any indirect cost.

“Allocated Overhead” means that portion of the overhead that is allocated to the Water Supply Facility by dividing the estimated quantity of Quality Water to be produced at that facility by the total estimate of Quality Water to be produced by all facilities.

“Bond Coverage Costs” means the costs of providing the coverage requirements established by the Financing Documents.

“Capital Improvement Charge” means the costs identified by Tampa Bay Water for planning, designing, acquiring and constructing capital improvements to the System; provided such costs are not payable from proceeds of the Obligations (other than costs which are to be reimbursed from such proceeds) or from moneys received in relation to the Renewal and Replacement Charges.

“Debt Service Charges” means the principal, redemption premium, if any, and interest coming due on the Obligations and any recurring costs and expenses relating to the Obligations, including, but not limited to, paying agent, registrar and escrow agent fees, credit enhancement fees and other charges, but only to the extent such costs and expenses are not otherwise reflected in Operation, Maintenance and Administrative Costs.

“Environmental Permit” means all permits, licenses, or other third-party approvals necessary for the acquisition, construction or operation of a Tampa Bay Water Supply Facility, including but not limited to Primary Environmental Permits.

Tampa Bay Water – 2023 Annual Budget
Glossary

“Financing Documents” means any resolution or resolutions of Tampa Bay Water, as well as any indenture of trust, trust agreement or similar document relating to the issuance or security of the Obligations.

“Fiscal Year” means a twelve (12) month period which commences on October 1 of each year and ends on the next succeeding September 30th, or such other period as may be prescribed by law as the fiscal year for Tampa Bay Water.

“Fixed Costs” means all costs and expenses incurred by Tampa Bay Water for the operation, maintenance, management, security, development, and financing of the System other than Variable Costs.

“Fund Balance” means an amount of money equal to the unencumbered moneys on deposit in the Utility Reserve Fund as of September 30th of the immediately preceding Fiscal Year. Moneys shall be considered unencumbered to the extent such moneys may be used for purposes relating to the System.

“Government Grant”, when used with respect to the System, means any sum of money heretofore or hereafter received by Tampa Bay Water from the United States of America or any agency thereof or from the State of Florida or any agency or political subdivision thereof as or on account of a grant or contribution, not repayable by Tampa Bay Water, for or with respect to the construction, acquisition or other development of an addition, extension or improvement to any part of the System or any costs of any such construction, acquisition or development. Government Grant shall not include any grants or contributions received by Tampa Bay Water for purposes of (1) funding Operating Expenses or (2) paying debt service on obligations of Tampa Bay Water that are payable in whole or in part from moneys received by Tampa Bay Water from the Southwest Florida Water Management District pursuant to the Northern Tampa Bay New Water Supply and Ground Water Withdrawal Reduction Agreement or any funding agreements related thereto. Any grants or contributions described in the preceding sentences shall be considered “Gross Revenues”.

Tampa Bay Water – 2023 Annual Budget
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“Gross Revenues” means all income and moneys received by Tampa Bay Water from the rates, fees, rentals, charges and other income to be made and collected by Tampa Bay Water for the use of the products, services and facilities to be provided by the System, or otherwise received by Tampa Bay Water or accruing to Tampa Bay Water in the management and operation of the System, calculated in accordance with generally accepted accounting principles applicable to public utility systems similar to the System, including without limiting the generality of the foregoing (1) moneys deposited from the Rate Stabilization Fund Account into the Revenue Account in accordance with the terms hereof, provided any moneys transferred from the Rate Stabilization Account into the Revenue Account within 90 days following the end of a Fiscal Year may be designated by Tampa Bay Water as Gross Revenues, and (3) Investment Earnings. “Gross Revenues” shall include all moneys received by Tampa Bay Water pursuant to the terms of the Master Water Supply Contract. “Gross Revenues” shall not include (A) Government Grants, to the extent prohibited or restricted as to its use by the terms of Government Grant, (B) proceeds of Bonds or other Tampa Bay Water debt, (C) moneys deposited to the Rate Stabilization Account from the Utility Reserve Fund, including any moneys transferred from the Utility Reserve Fund to the Rate Stabilization Account within 90 days following the end of a Fiscal Year which Tampa Bay Water determines not to be Gross Revenues of such Fiscal Year, and (D) any moneys received by Tampa Bay Water as part of True-Up. Gross Revenues may include other revenues related to the System which are not enumerated in the definition of “Gross Revenues” if and to the extent the same shall be approved for inclusion by Tampa Bay Water of the Bonds (provided all Bonds are insured as to payment of principal and interest at the time of such inclusion).

“Net Revenues” means Gross Revenues less Operating Expenses.

“Obligations” means a series of bonds or other evidence of indebtedness including but not limited to, notes, commercial paper, capital leases or any other obligations of Tampa Bay Water heretofore or hereafter issued or incurred.

“Operating Reserve Fund” means those funds, which are deemed by Tampa Bay Water as necessary to meet any cash flow and revenue collection shortfalls due to inaccuracies in the Annual Reports or Annual Estimates or due to the requirements of the Financing Documents. The amount of Operating Reserve Fund shall be established by Tampa Bay Water policy; provided such amount should not exceed an amount equal to two times the monthly average Variable Costs as provided in Tampa Bay Water’s preliminary budget.

**Tampa Bay Water – 2023 Annual Budget
Glossary**

“Operation, Maintenance and Administrative Costs” (also referred to as **Operating Expenses**) means any and all costs incurred by Tampa Bay Water in operating, maintaining and administering the System, including, but not limited to, the general administrative and legal costs of Tampa Bay Water related to operation, maintenance, management, security and development of the System; costs associated with tools, equipment, vehicles, supplies, materials, services and support for the operation, maintenance, management, security and development of the System; any costs of litigation or a legal judgment against Tampa Bay Water; costs relating to Water conservation and public education activities; costs of purchasing any Water; development expenses relating to expansion of the System; all costs incurred in planning or applying for, obtaining, maintaining and defending Environmental Permits which shall not be paid from the Capital Improvement Charge; accounting, legal and engineering expenses; ordinary and current rentals of equipment or other property; refunds of moneys lawfully due to others; pension, retirement, health and hospitalization funds; payments in lieu of taxes and facility impact fees; moneys to be deposited to a rate stabilization fund; and fees for management of the System or any portion thereof.

“Overhead” means the administrative and general expenses of Tampa Bay Water that are not directly attributable to ownership of any specific Water Supply Facility, as established in the approved budget.

“Production Failure” means (1) the occurrence of a Shortfall, provided however, that a Shortfall that results from a mechanical, equipment or other facility failure shall not constitute a “Production Failure,” or (2) following December 31, 2002, the actual delivery by the Authority to the Member Governments during any twelve-month period of Quality Water that exceeds 94 percent of the aggregate permitted capacity of the Authority’s production facilities on an annual basis, provided however, that if the Authority has received a Primary Environmental Permit for additional production facilities and the Authority has entered into a contract for final design and has bid construction of the facilities, the additional production quantity specified in the Primary Environmental Permit shall be added to the actual production capacity for purposes of determining if a “Production Failure” has occurred.

Tampa Bay Water – 2023 Annual Budget
Glossary

“Project Cost” means all expenses associated with the acquisition, construction, installation, reconstruction, renewal or replacement of Water Supply Facilities, including without limitation: (1) land and interests therein, property rights, and easements of any nature whatsoever; (2) physical construction, reconstruction, renewal, replacement or completion; (3) acquisition and installation of machinery, equipment and other tangible personal property; (4) planning, architectural, engineering, surveying, legal, environmental and other consultant services; (5) fees and expenses associated with the issuance of Obligations, including but not limited to bond counsel, disclosure counsel, financial advisor, underwriters’ discount, rating agencies, bond insurance, credit or liquidity facilities, and printing the Obligations and supporting documentation; (6) interest accruing on the Obligations for such period of time as Tampa Bay Water deems appropriate; (7) the debt service reserve fund or account, if any, established for the Obligations; and (8) all other expenses that are properly attributable thereto under generally accepted accounting principles, including reimbursement to Tampa Bay Water for any moneys advanced for such purposes and interest on any interfund loan for such purposes.

“Quality Water” means Water which (1) meets State and federal drinking water regulations and standards as defined in Rule 62-550, Florida Administrative Code, as it may be amended or superseded from time to time, including regulations pertaining to surface water or groundwater under the direct influence of surface waters, but excluding regulations pertaining to disinfection and corrosivity, and

(2) would not cause a particular Member Government utility to adopt new treatment techniques beyond modified chemical dosages and/or optimization of existing unit processes to meet a moderately altered source of Water. Except as otherwise provided in the Master Water Supply Agreement, the provisions of this definition are not intended as permission for a Member Government to reject the type of Quality Water to be provided by Tampa Bay Water to such Member Government; provided, however, Tampa Bay Water shall pay for any additional treatment costs required to meet the standards for Quality Water as described in the Master Water Supply Agreement.

“Renewal and Replacement Charges” means those certain charges to be deposited to any renewal and replacement fund or account established pursuant to the Financing Documents.

Tampa Bay Water – 2023 Annual Budget
Glossary

“Reserve Account Requirement” shall mean, as of any date of calculation for the Reserve Account, an amount equal to the lesser of (1) Maximum Annual Debt Service for all Outstanding Bonds, (2) 125% of the average Annual Debt Service for all Outstanding Bonds, or (3) the maximum amount allowed to be funded from proceeds of tax-exempt obligations and invested at an unrestricted yield pursuant to the Code; provided, however, the Issuer may establish by Supplemental Resolution a different Reserve Account Requirement for a subaccount of the Reserve Account which secures a Series of Bonds pursuant to Section 4.05(B)(4) hereof. In computing the Reserve Account Requirement in respect of a series of Bonds that constitutes Variable Rate Bonds, the interest rate on such Bonds shall be assumed to be (A) if such Variable Rate Bonds have been Outstanding for at least 24 months prior to the date of calculation, the highest average interest rate borne by such Variable Rate Bonds for any 30-day period, and (B) if such Variable Rate Bonds have not been Outstanding for at least 24 months prior to the date of calculation, the Bond Buyer Revenue Bond Index most recently published prior to the time of calculation. The time of calculation for Variable Rate Bonds shall be each March 1. (Resolution 98-07TBW, Section 1.01)

“System” means Tampa Bay Water’s water production, transmission and treatment facilities, as they currently exist and as they may be modified or expanded in the future from time to time, which are owned, leased, licensed, operated and/or used by Tampa Bay Water to provide Water.

“Tampa Bay Water Costs” shall mean Bond Coverage Costs, Capital Improvement Charges, Debt Service Charges, Operation, Maintenance and Administrative Costs, Operating Reserve Funds and Renewal and Replacement Charges.

“Variable Costs” means all costs and expenses of Tampa Bay Water for the operation, maintenance and management of the System that change in direct proportion to changes in the volume of Water produced by Tampa Bay Water, including, but not limited to, power, chemical and Water purchases.

“Water” means Quality Water and any other water to be used by a Member Government in its public water supply system.

“Water Supply Facilities” means Water production, treatment and/or transmission facilities and related real property. The term “Water Supply Facilities” does not include facilities for local distribution.

“Water Service” means the provision of Water as required in the Interlocal Agreement to any and all of the Member Governments at the locations described in Exhibit C of the Master Water Supply Contract and provision of Water by the Member Governments to their customers.

“Water Service Areas” means, collectively, the Hillsborough Water Service Area, the New Port Richey Water Service Area, the Pasco Water Service Area, the Pinellas Water Service Area, the St. Petersburg Water Service Area and the Tampa Water Service Area.

Tampa Bay Water – 2023 Annual Budget Glossary

Acronyms

BEBR – Bureau of Economic and Business Research

BUDW – Brandon Urban Dispersed Wells CBIR – Community Budget Issuance Request CCA – Construction Completion Agreement CFS – Cubic Feet per Second

CIF – Capital Improvement Fund

CIP – Capital Improvement Program

CMMS – Computerized Maintenance Management System

CWUP – Consolidated Water Use Permit

DBP – Disinfection By-Product

DE – Diatomaceous Earth

FAQ – Frequently Asked Questions

FASB – Financial Accounting Standards Board

FDEP – Florida Department of Environmental Protection

FGIC – Financial Guaranty Insurance Company

FTE – Full Time Equivalent

GAAP – Generally Accepted Accounting Principles

GASB - Governmental Accounting Standards Board (GASB)

GFOA – Government Finance Officers Association

H₂S – Hydrogen Sulfide

IT – Information Technology

IW – Injection Well

MCC – Motor Control Center

MGD – million gallons per day

NOAA – National Oceanic and Atmospheric Administration

Tampa Bay Water – 2023 Annual Budget Glossary

NPDES – National Pollutant Discharge Elimination System

NWH – Northwest Hillsborough O&M – Operation and Maintenance

OM&M – Operate, Manage & Maintain

OROP – Optimized Regional Operational Plan

POC – Point of Connection

PWS – Public Water Supply

R&R – Renewal and Replacement

SCADA – Supervisory Control and Data Acquisition

SCHIP – South-Central Hillsborough Infrastructure Project

SIPC – Securities Investor Protection Corporation

SWFWMD – Southwest Florida Water Management District

SWTP – Surface Water Treatment Plant

TBC – Tampa Bypass Canal

USEPA – United States Environmental Protection Agency

USGS – United States Geological Survey

VFD – Variable Frequency Drive VOC – Volatile Organic Compounds

WTP – Water Treatment Plant



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