

A large, stylized graphic in the background features a yellow sun with rays and three green leaves of varying shades, all set against a white background.

UTILITY QUARTERLY FINANCIAL UPDATE

January 9th, 2024



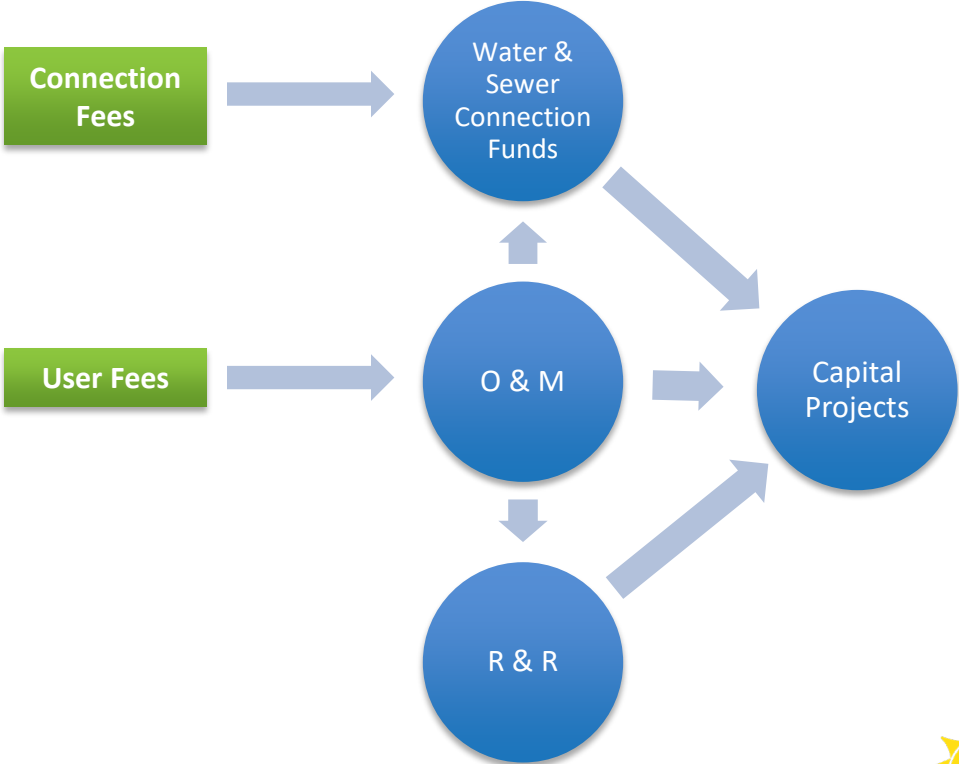
CHARLOTTE COUNTY
FLORIDA

Topics of Discussion

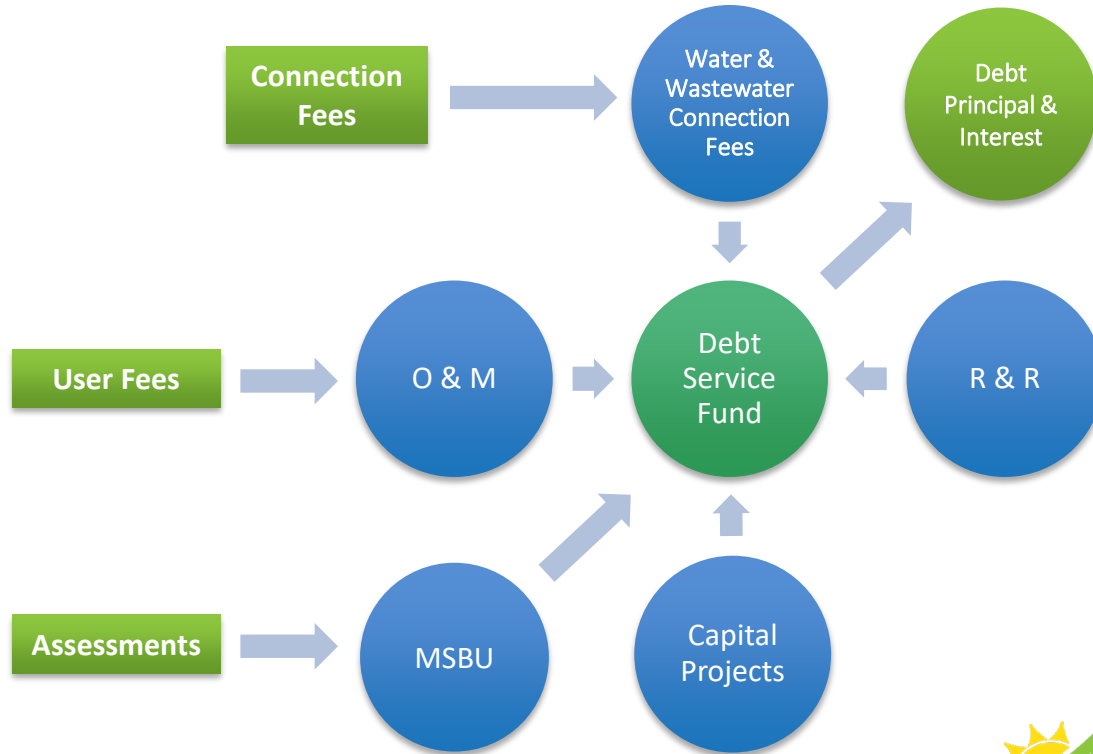
- Utility 101 Review
- Rate Model Update
- Connection Fees Analysis Update
- Reimbursement Resolution
- Bond Timeline

Utility 101 Review

Utility Revenue Allocation



Utility Debt Service Funding



Rate Model and Connection Fees Analysis Update

Rate Model Update

- Fiscal and Utility staff met with Raftelis on December 19th
 - Reviewed existing model & assumptions
 - Discussed data needs & timeline for update
- Model will be updated to reflect
 - FY23 actual results
 - Adopted FY24 and Proposed FY25 budgets
 - FPSC Index for 2024 (anticipated February)
 - Any additional changes to CIP
 - Includes updated Peace River Projects
- Raftelis scheduled to present at April Utility meeting
- Analysis to be incorporated into Feasibility Report

Connection Fees Analysis Update

- Fiscal and Utility staff met with Raftelis on December 18th
 - Reviewed existing fees & other charges
 - Discussed data needs & timeline for analysis
- Raftelis scheduled to present at April Utility meeting
- Analysis to be incorporated into Feasibility Report

Reimbursement Resolution

Reimbursement Resolution

- A Reimbursement Resolution acts as a “backstop” to replenish reserves, when necessary, through the issuance of debt
- Project costs expended after the Reimbursement Resolution is approved can be reimbursed to manage reserve levels
- The FY24 Reimbursement Resolution is anticipated at the January 23rd Board Meeting
 - Refresh of the 2023 Reimbursement Resolution with updated project estimates
 - Targeting \$120M of potential project expenditures for possible reimbursement
 - Will provide more flexibility of cash flow management over the next 2-3 years

Bond Timeline

Next Steps / Timeline

January

- Updates to bond documents and Utility Model data worksheets

February

- Burnt Store WRF bids opened and evaluated
- Priority listing for DEP's Hurricane Ian supplemental pot of funding
 - Anticipate \$10–\$20M in forgivable “loan” for East Port WRF
- Updates to bond documents and Utility Model data worksheets

March

- Award Burnt Store WRF contract
- Approval of bond resolution – Estimated March 26th BCC Meeting
- Near final bond documents and rating agency submissions
- Internal review of Utility Model and Feasibility Report

Next Steps / Timeline

April

- Audited financials complete
- Final bond documents and bond sale
- Utility Model update and Fees analysis presented to the Board (by Raftelis)

May

- Bond closing and funding

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Questions?



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