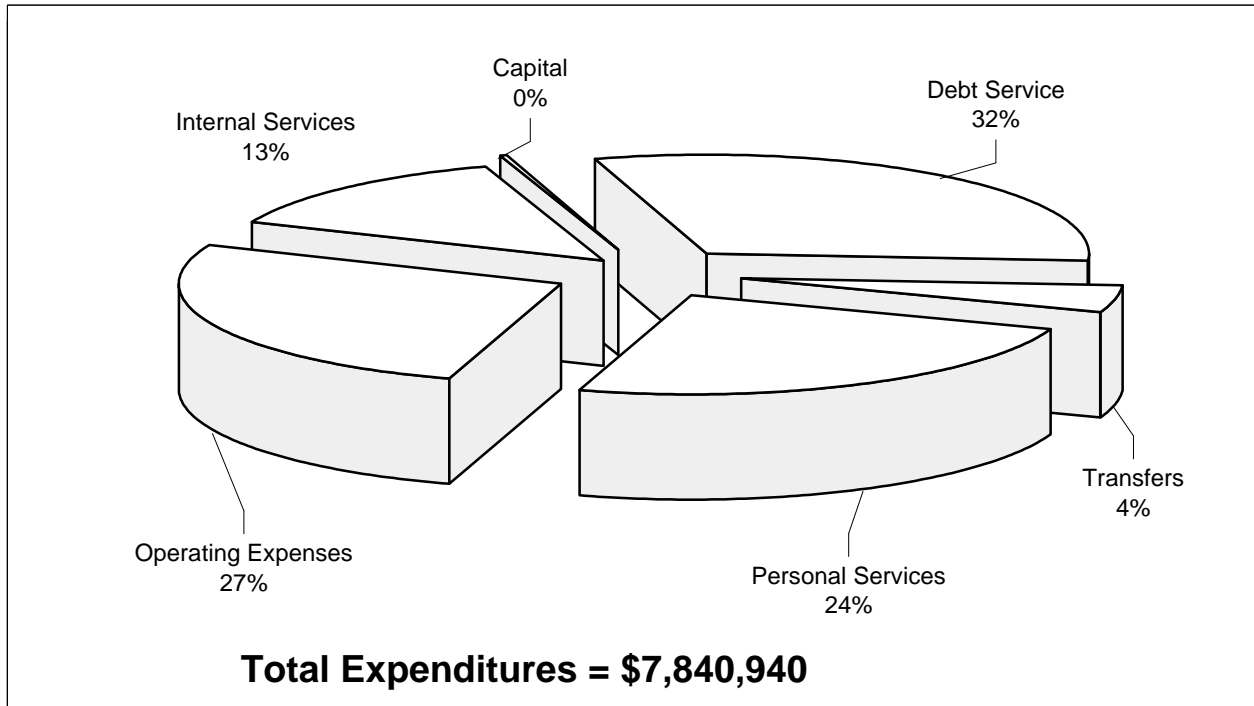


Stormwater Fund Expenditures by Type



Stormwater revenues are provided by the stormwater utility fee collected from each City of Clearwater utility customer, and billed through the monthly utility billing system. These revenues are used to remove pollutants and treat stormwater before it is discharged into lakes, bays, rivers, etc., and to operate and maintain the stormwater drainage facilities. The rate is \$8.01 per residential unit or ERU effective October 1, 2003. One ERU is equal to 1,830 sq. ft. of impervious area - hard surface that will not allow water to be absorbed into the ground such as roofs, driveways and parking lots.

Additional rate increases have been approved to take effect: 10/01/04 (8%) and 10/01/05 (8%). These increases will provide funding to support approximately \$72.4 million in capital projects. Some of the planned projects include Kapok Flood Resolution, Myrtle Avenue Drainage Improvements, Stevenson Creek Estuary Restoration and Morningside/Meadows Drainage.

The Stormwater Fund operations reside in the Public Works Administration Department. Personnel Service costs are estimated at 24% of all fund expenditures, and represent 40 full time equivalent employees funded by Stormwater revenues. Debt Service costs, which amount to 32% of expenditures, include \$2,118,000 of interest and principal payments on outstanding stormwater construction bonds and \$302,300 of payments on lease purchased equipment. Transfers, which comprise 4% of total expenditures, include \$47,410 for capital improvements to the stormwater system and \$303,790 as payment in lieu of taxes (4.5% of prior year revenues).

Anticipated revenues for Fiscal Year 2003/04 are approximately \$9,765,770, exceeding the estimated expenditures by \$1,924,830. These consist of entirely of operating revenues anticipated under the adopted rate study. Fiscal year end 9/30/2002 financial statements reflect net income of approximately \$1,816,021 for the Stormwater Fund.