

TOHO WATER AUTHORITY **OPERATING BUDGET** OCTOBER 1, 2025 - SEPTEMBER 30, 2026



WATER. LIFE.
COMMUNITY.

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TOHOPEKALIGA WATER AUTHORITY

ANNUAL BUDGET FY 2025-2026

OCTOBER 1, 2025 THROUGH SEPTEMBER 30, 2026

PREPARED BY:

FINANCIAL SERVICES

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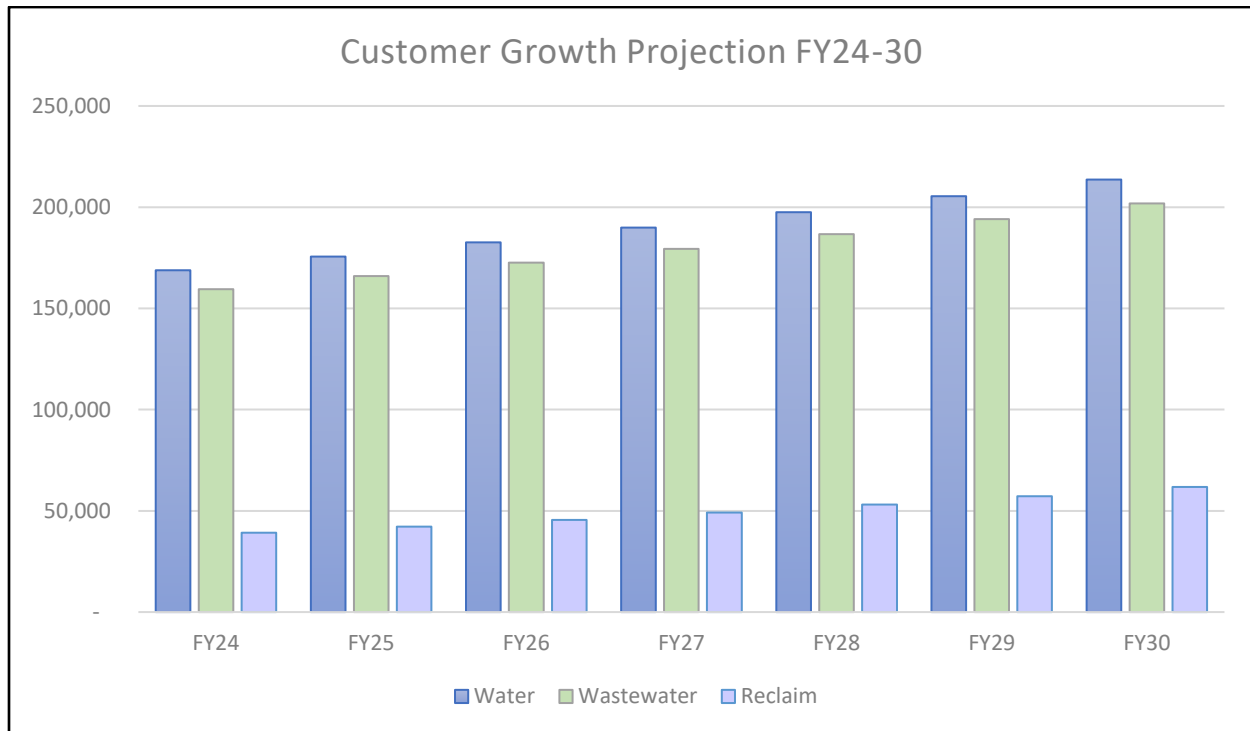
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EXECUTIVE SUMMARY

Toho Water Authority (“Toho”) financial condition remains very strong through the fiscal year 2025. Revenues have consistently exceeded budget projections during the year while expenditure continues to rise above the budget target. The FY25 net revenue position is project to hold strong. Economic conditions are not expected to change significantly for the upcoming fiscal year, as the US economy remains fundamentally strong, despite persistent concerns surrounding the durability of growth and interest rate policy.

The Orlando–Kissimmee–Sanford metropolitan statistical area (MSA) recorded an unemployment rate of approximately 3.4%–3.8% as of mid-2025, indicating a still-healthy labor market that is nonetheless showing signs of modest deceleration (Bureau of Labor Statistics [BLS], 2025). Regional homebuyers continue to face affordability challenges, with mortgage rates hovering around 6.7%, consistent with national trends and contributing to pressure amid elevated home prices and limited inventory (Freddie Mac, 2025). At the national level, the U.S. economy is experiencing increasing strain, characterized by slowing job growth and rising unemployment (BLS, 2025). In contrast, Florida’s economy—supported by a diversified industry base and a resilient tourism sector—continues to outperform many states, maintaining one of the lowest unemployment rates in the nation and growth roughly in line with the national average (Florida Department of Commerce, 2025).

At September 30, 2025, billed services are 175,571 for water, 24,903 for irrigation, 165,917 for reclaim and assume 4% year over year increase; and 42,844 for wastewater and expected to grow by 8% year over year.



**FY25 projection based on actual FY20-24 year over year % change in number of billed services*

ECONOMIC FACTORS AND RATES

Toho operates in a dynamic economic environment characterized by a rapidly growing customer base and some of the most competitive rates in Central Florida. Historically, Osceola County has experienced significant growth, with the population increasing from 268,685 in 2010 to an estimated 437,800 in 2023, reflecting a growth of approximately 63% over this period. This robust population growth is anticipated to positively impact the local economy. Economic indicators suggest that Osceola County will continue to experience steady expansion, with key metrics expected to perform slightly better locally compared to national averages.

The following chart shows the number of meter connections for the last five years of billed services:

Combined Systems Last Five Years of Total Billed Services as of September 30				
Year	Water	Irrigation	Wastewater	Reclaimed Water
2021	119,074	17,667	112,498	22,721
2022	122,877	17,729	116,641	23,990
2023	161,325	24,111	150,852	35,337
2024	168,845	24,814	159,541	39,140
2025	175,571	24,903	165,917	42,844

Toho uses a 5-year annual growth projection of 4% per year. Water conservation programs will continue to reduce average per capita water consumption. A higher growth rate for reclaimed water customers was set at 7.9% per year. Overall operational growth is based on the percentage change of projected cash flows. A revenue sufficiency analysis was conducted to validate assumptions.

Key Rate Revenue Assumptions		2026	2027	2028	2029	2030
Billed Services Growth	Water, Wastewater, Irrigation	4.0%	4.0%	4.0%	4.0%	4.0%
	Reclaim Water	7.9%	7.9%	7.9%	7.9%	7.9%
Current Rate Plan Adjustments*		5.0%	5.0%	5.0%	4.0%	4.0%
Rate Revenue Growth		10.6%	10.5%	10.6%	8.7%	8.7%

*Future rate adjustments subject to change based on information from master plan updates, rate consultant study, etc.

Toho's operating expense growth is based on a projected year-over-year change in operating expenses. The overall four-year average rate of expenses is 7.7%. Salaries & Wages reflect higher escalation due to level of staffing which offsets contracted services. FY30 reflects additional O&M costs for Cypress Lake.

Cost Escalation Factors	FY26	FY27	FY28	FY29	FY30
General Inflation Factor	3.5%	3.5%	3.5%	3.5%	3.5%
Salaries & Wages	13.0%	9.0%	9.0%	9.0%	9.0%
Health Insurance	10.0%	8.5%	8.5%	8.5%	8.5%
Repair & Maintenance	7.5%	8.0%	6.0%	6.0%	6.0%
Contracted Services	2.0%	5.0%	5.0%	5.0%	5.0%
Utilities	7.0%	7.0%	7.0%	7.0%	7.0%
Petroleum Supplies	5.0%	5.0%	5.0%	5.0%	5.0%
Chemicals	5.0%	5.0%	5.0%	5.0%	5.0%
Overall Operating Expense Growth	7.8%	7.8%	7.5%	7.6%	13.9%

Staff have attempted to prepare a balanced and responsible operating budget that reflects the needs of Toho's customers and stakeholders while continuing to be responsive to current economic conditions. The proposed FY26 budget reflects an 8.3% (\$5.4M) increase in operating expenditure compared to estimated expenditures for FY25 and shows an increase of 2.8% (\$1.9M) compared to the FY25 budget.

A general inflation factor of 4% was utilized to increase some operating budget expenditure. Health insurance costs are projected to increase at a rate greater than general inflation; however, the continuing investment in and operation of the health clinic and in the wellness program is helping to mitigate the increasing cost. Other costs that exceed the general inflation factor include Other Maintenance, Utilities, Auto Maintenance, Other Supplies, Chemical Supplies, and Travel & Training. Other Maintenance increases are driven from rising equipment costs for treatment plants as well as cross connection control program compliance. Utilities reflect inflationary and escalation impacts. Auto Maintenance costs include Fleet upgrade costs. Travel and Training costs have increased to support Toho's skill-based progression program, targeted skill and safety training for critical areas (Electricians, SCADA, Inspectors), and increased travel and training is needed due to increased activity to Assets & Infrastructure; however, the overall FY26 travel & training budget is flat to FY25 budget levels.

A summary of the expenses is shown in the following table (***please note most financial tables in this budget book are expressed in thousands to help make tables more readable**):

	2026 Request	2025 Estimate			2025 Budget		
		Total	\$	%	Total	\$	%
Contracted Services	16,391	15,857	534	3.4%	16,509	(118)	-0.7%
Other Maintenance	15,026	13,545	1,481	10.9%	15,001	25	0.2%
Utilities	12,174	11,297	877	7.8%	11,667	507	4.3%
Other Operating Costs	8,538	8,307	231	2.8%	8,075	463	5.7%
Other Supplies	5,553	4,928	625	12.7%	5,277	276	5.2%
Chemical Supplies	8,624	7,538	1,086	14.4%	7,976	648	8.1%
Auto Maintenance	2,355	2,140	215	10.0%	2,167	188	8.7%
Gas & Oil	1,435	1,374	61	4.4%	1,486	(51)	-3.4%
Travel & Training	883	567	316	55.7%	883	0	0.0%
Total	70,979	65,553	5,426	8.3%	69,041	1,938	2.8%

***This financial table is presented in thousands.**

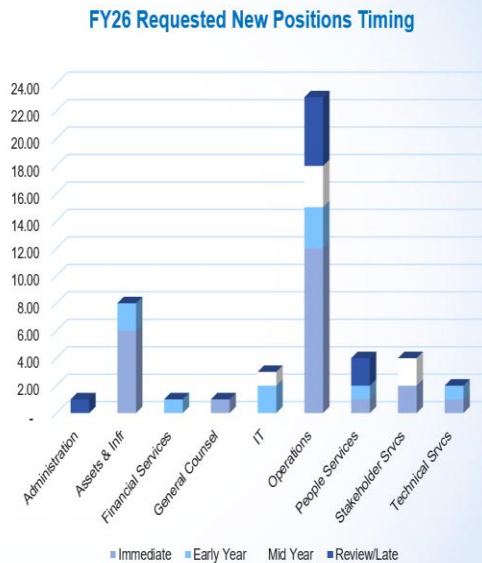
In addition to the regular operating expense increase, the personnel budget includes \$3.2 million for 47 new positions. Positions are needed in many areas within Toho, including eight positions which provide the opportunity for cost offsets. One (1) manager was requested to help the CEO with coordination of technological projects. One (1) manager position is needed in Financial Services to assist the Comptroller with workload. One (1) position was approved in Human Resources to assist with data coordination, as well as one (1) HR specialist. One (1) Public Relations Supervisor is needed for Communications, and one (1) Safety Business Partner is needed to ensure the safety of Toho and its assets. Assets & Infrastructure is being increased by eight (8) positions to further build out construction and development teams. One (1) Deputy General Counsel is coming on board to help manage the growing legal workload and support Toho’s expanding range of responsibilities. Three (3) positions are being added to Information Technology to support the complex and evolving technological needs of the organization, including system integration, cybersecurity & infrastructure, and development. Twenty-three positions (23) were approved for the Operations team of Toho’s to expand its workforce to meet increasing operational demands and ensure the continued delivery of reliable, high-quality services. These additions will enhance our capacity in key areas such as system maintenance, plant operations, water quality, infrastructure support, and technology. By strengthening both our field and technical teams, we’re positioning the organization to better manage growth, maintain regulatory compliance, and support the evolving needs of our customers and the communities we serve. Customer Service is adding four (4) positions to address a growing volume of customer inquiries and billing complexities that have outpaced current staffing capacity. Technical Services is hiring a (1) new data management technician and one (1) real estate analyst – GIS specialist. It should be noted that all the positions added to Toho’s stem from the increased customer base due to the acquisition of the City of St. Cloud water utilities, as well as general population growth in the area. A few of the positions in Operations are included in Construction Capital and will be considered capitalized labor.

Overall, the FY26 budget request increases total authorized positions from 644.5 funded FTEs to 691.5 funded FTEs: the personnel budget is projected to grow by \$3.2 million over the current year-end estimate; however, the increase nets to \$2.8 million when capitalizing labor and considering the vacancy rate. The complete listing of positions includes a calculation that results in the Net New Position Direct Operating Labor Impact totaling \$1.1 million.

Department	Position Title	Timing	FTE
Administration	Sr. Program Manager	Immediate	1.0
Assets & Infrastructure	Senior Program Manager	Immediate	1.0
	Director of Construction / PMO	Immediate	1.0
	CIP Coordinator	Immediate	1.0
	Development Specialist I	Immediate	1.0
	Construction Inspector II	Immediate	2.0
	Development Specialist I	Early year	1.0
	Construction Inspector II	Early year	1.0
Financial Services	Accounting Manager	Early year	1.0
General Counsel	Deputy General Counsel	Immediate	1.0
Information Technology	Principal of Cyber Security & Infrastructure	Early year	1.0
	Database Administrator	Mid Year	1.0
	Supervisor - Development	Early year	1.0
Operations	System Mechanic Apprentice	Immediate	1.0
	Plant Mechanic II	Immediate	1.0
	System Mechanic II	Immediate	1.0
	Network Engineer I	Early year	1.0
	Electrician I	Early year	2.0
	Plant Mechanic I & II	Mid Year	2.0
	Heavy Equipment Operator I & II	Late Year	2.0*
	Plant Mechanic I	Review/Late	1.0
	SCADA Technician I	Review/Late	1.0
	Operations Business Partner I	Immediate	1.0
	Utility Technician II	Immediate	4.0
	Warehouse / Inventory Coordinator II	Mid Year	1.0
	Plant Mechanic Apprentice	Review/Late	1.0
	Water Quality Specialist I	Immediate	2.0
	Treatment Operator I	Immediate	2.0
People Services	Human Resources Supervisor	Immediate	1.0
	Public Relations Supervisor	Early year	1.0*
	Human Resource Specialist II	Review/Late	1.0
	Safety Business Partner II	Review/Late	1.0
Stakeholder Svcs	Customer Experience Representative II	Immediate	2.0*
	Service Technician III	Mid Year	2.0*
Technical Svcs	Data Management Technician I	Immediate	1.0*
	Real Estate Analyst - GIS Specialist	Early year	1.0

FY26 Personnel Additions (FTEs)

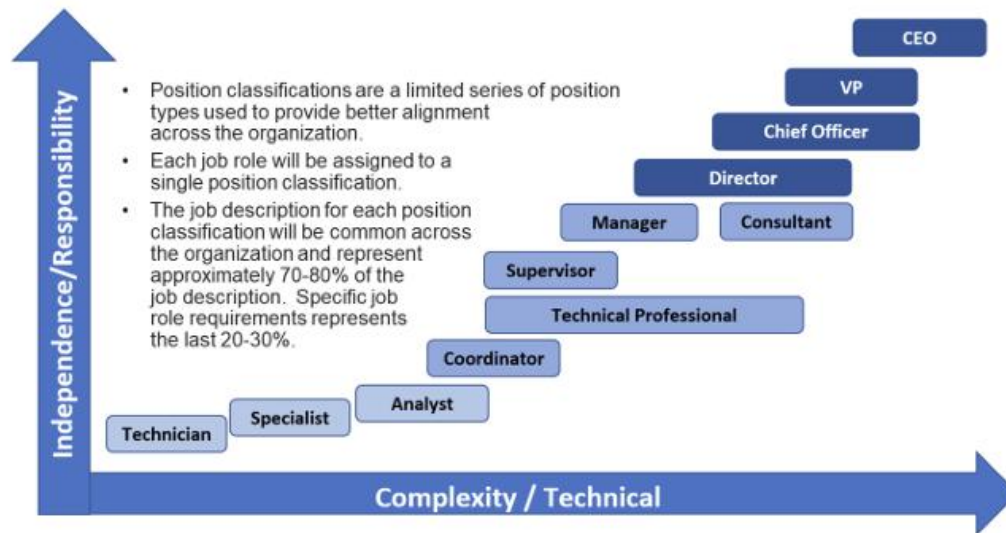
	<u>Request</u>
New Requested Positions	3,224,055
Less Capitalized Labor	(322,722)
Vacancy Rate	(683,954)
Net Direct Operating Labor Impact	<u>\$2,862,822</u>



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The budget for personnel services also included funding proposals in other areas starting with increases in Travel & Training and cost of personnel positions. The Travel & Training budget includes budget increases to support Toho's skill-based progression program. This program includes a position mapping system that starts with a specific job then groups it with a series of job roles allowing progression based on experience, skills, licensure and certification. The job track can be followed by employees to move into progression opportunities including closely related and beyond the traditional job track. The following graphic illustrates an overall structure of this classification methodology, which was started in FY25.

Position Classifications



Another increase included in the FY26 Human Resources budget includes a 1% cost of living increase (COLA) and a 3% merit increase. This allows staff to receive the COLA each year while earning additional merit pay by maintaining good status with TWA. It is anticipated that most employees will receive both the COLA, and the merit increase each year. The shift from 2% COLA and 2% merit, saved money by only allowing new employees to receive 1% COLA during their first year.

Many employees will receive internal equity adjustments, as well as skill-based pay progressions (as illustrated in the figure above). In addition, sixteen positions are being reclassified to more accurately align job titles with their actual functions.

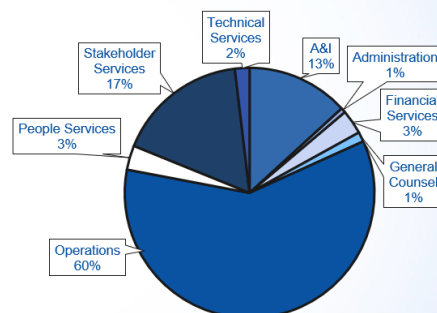
FY26 Skill-Based & Progression Development

Skill-Based Progression are determined by established and approved position 'sliders' (i.e. I, II, Sr.)

Progression Development positions align with organizational and departmental structure to establish key leadership roles (i.e. managers, directors, reclassifications)

Total proposed Skill-Based and Progression Development

Skill-based	146
Progression Development	16
Total	162



The budget submittal also includes funding to maintain Toho’s contribution to the employee retirement Defined Contribution Plan, 401a, of 6.5% of pay for those participating employees. The contribution for the defined benefit portion of the Toho’s retirement plan will be adjusted next year to meet the requirements of the actuarial analysis of modified funding needs based on the stock market’s performance over the past year.

Other compensation categories also include sick, and vacation leave buy back for employees with sick or vacation leave more than the maximum allowable at the end of the calendar year.

The budget includes an allowance for unrestricted sponsorships for FY26. The total budgeted amount for the sponsorship allowance is based on \$1.00 per billed water customer. The funding requested for the next fiscal year is approximately \$175k for the Charitable Giving Program. An additional \$66,500 is allowed for Key Marketing & Brand Partners.

Funding of \$150,000 is included in the FY26 budget for the Toho Assistance Program (TAP) which is a partnership with the Osceola Council on Aging (COA) to ease financial hardships for Toho’s customers facing financial difficulties paying their water bills. TAP prioritizes assistance for income eligible customers whose service has been disconnected or is in the process of being disconnected as well as households with elderly or disabled individuals or families with children under the age of eighteen. Toho also offers a payment extension request program to help individuals pay their bill without any additional fees.

Debt services request was projected at \$24.4 million in FY26, which accounts for 13% of the total expenses. FY2022 introduced a new Series 2022 Revenue Note issued in the total amount of \$28.6 million due to the City of St. Cloud Utility Integration. This adds to existing Revenue Bonds and Notes as shown in the following table:

Current Outstanding Debt as of September 30, 2024 (in thousands)					
Revenue Bonds & Notes	Amount Issued	Current Outstanding	Interest	Structure	Purpose of Issue
Series 2009 Note	\$16,000	\$6,050	3.63%	Fixed	Admin Building & Construction
Series 2016 Bond	173,605	145,460	2.00-5.00%	Fixed	Refund portion 2011A & 2012 Capital Improvements
Series 2020	38,160	38,160	1.00-5.00%	Fixed	Short-term funding for WIFIA designated projects – Will be refunded in 2025 by WIFIA 1
Series 2021 Note	14,305	14,245	1.08%	Fixed	Refund Bonds (Series 2003 A&B)
Series 2022 Note	28,660	28,660	2.64%	Fixed	St. Cloud Utility Integration
Total		\$232,575			

***This financial table is presented in thousands.**

Over the past 10 years Toho has maintained an annual debt service amount between \$200 M and \$241 M.

Toho has maintained a higher Debt Service Coverages (DSC) due to the following factors:

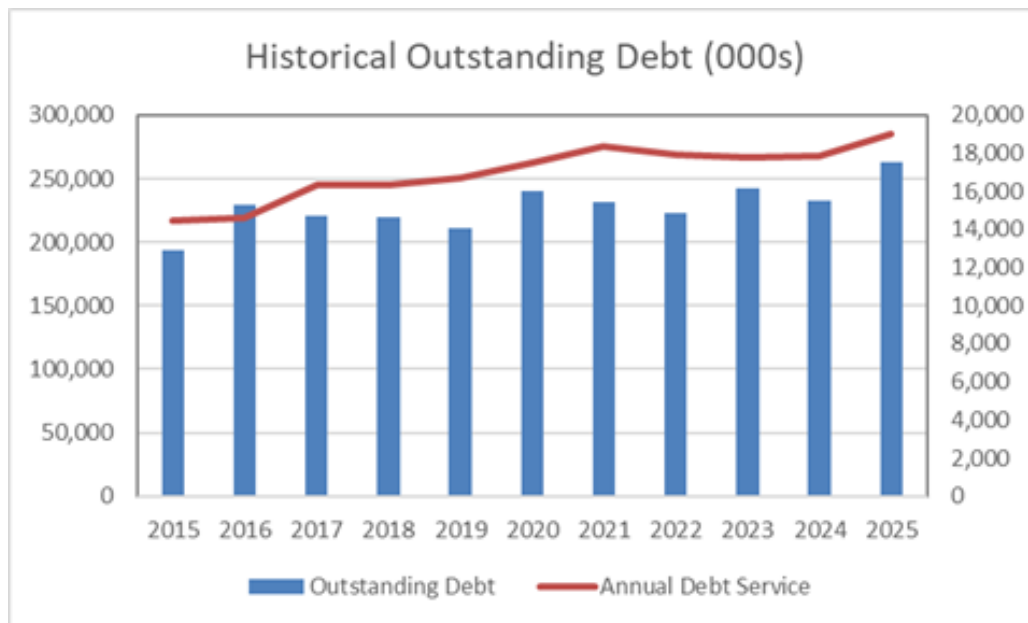
- To build coverages for long term planning and borrowing for anticipated higher borrowing costs and alternative water supply projects.
- To maintain financial position to navigate long term uncertainty in changes in regulatory requirement environment and inflationary pressures.

Outstanding Debt \$233M | Annual Debt Service \$26.3M

Historical Outstanding Debt Overview (2015–2025) The graph illustrates trends in Toho’s outstanding debt and annual debt service over the past decade:

Outstanding Debt (blue bars): Debt levels have remained relatively stable between \$190 million and \$263 million from 2015 through 2025, with minor fluctuations. In 2023, debt increased by \$29 million to retire the City of St. Cloud Environmental Utilities' debt as a condition of integrating utility systems.

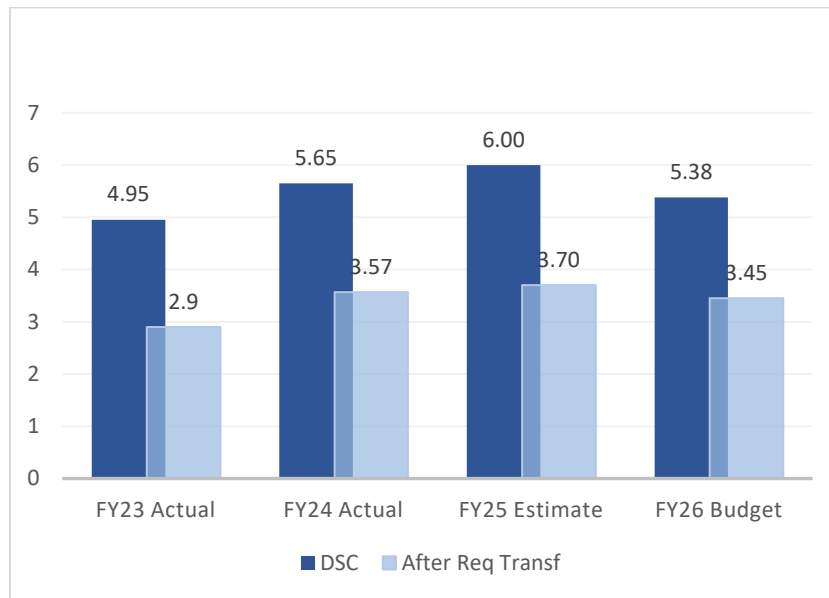
Annual Debt Service (red line): Annual debt service started around \$14 million in 2015 and showed a steady upward trend, leveling to about \$19 million by 2025 excluding balloon payments. Debt Service remained fairly steady between 2021 and 2024.



**This financial table is presented in thousands.*

DEBT SERVICE COVERAGE – HISTORICAL & PROJECTED UPDATE

Coverage ratios remain well above typical minimum requirements, indicating strong capacity to meet debt obligations. DSC improves from FY23 to FY25, peaking at **6.00**, before slightly declining in FY26. After required transfers, coverage ratios are lower but still healthy, ranging from **2.90** to **3.70**.



As shown in the table below, the Operating Budget proposal includes a 7.5% adjustment in billed revenues because of the third year of Toho's five-year rate plan and anticipated continued growth for FY26. Drivers for the increase include rate adjustments, escalation factors, underestimating other operating fees in FY25 and Tap Fee revenues higher than estimate from FY25.

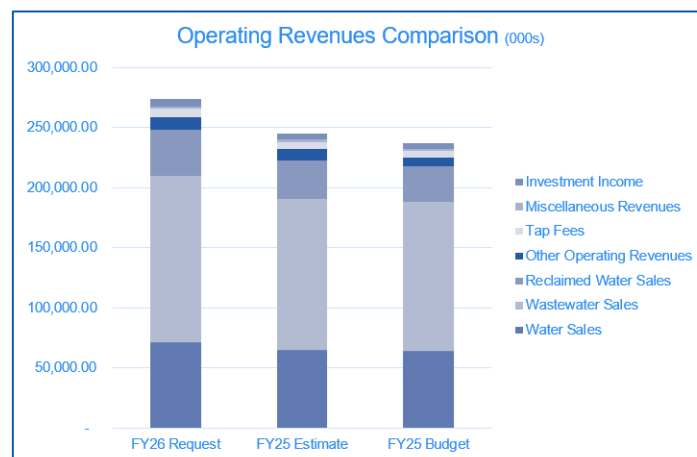
Operating Revenues – 7.5% Adjustment

FY26 Request = **\$273M**

- \$28M – 12% of Estimate
- \$37M – 16% of FY25

Drivers (in addition to rate adjustments and escalation factors):

- Other Operating Fees under-estimated in FY25
- Tap Fee revenues higher than estimate from FY25



Assumes 4% growth, 7.5% rate adjustment, and other escalation factors

***This financial table is presented in thousands.**

The 10 Year Operating Margin has fluctuated and has a recent erosion due to the St. Cloud integration cost overlap and a large spike in contractual services. Operating margins are projected to change in future years based on rate adjustments, growth, and maintaining financial metrics.

Operating Margin: Historical & Projected Relationships

Historical: Recent operating margin erosion due to:

- Forgoing FY21 rate increase
- FY23 St. Cloud Integration cost overlap
- Spike in contractual services

Projected: Factors impacting operating margins:

- Annual rate adjustments
- Pace of growth
- Targeted reserves
- Maintaining key financial metrics

Operating Margin	Historical						Projected				
	FY20	FY21	FY22	FY23	FY24	FY25*	FY26	FY27	FY28	FY29	FY30
	49.2%	50.5%	47.5%	43.1%	43.5%	44.2%	47.4%	49.2%	51.1%	51.3%	48.6%

*FY25 projection based on estimates from actual YTD spend

Finally, this budget submittal meets and exceeds all the bond covenant and board policy requirements. The board policy has higher requirements than the bond covenant and the FY26 budget meets the debt service coverage to avoid cash funding reserve of above 150%.

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OVERVIEW

The Authority's financial plan is a key element of its overall strategic focus. The financial plan supports the strategic direction of the Authority; it helps to ensure that the organization is financially sound and that the strategic plan is being appropriately implemented. The strategic planning process establishes the Authority's long-term goals and identifies the best approach for achieving those goals in alignment with the Authority's vision, mission and values. This necessary guide requires a high level of preparation and interaction both within and outside of the organization to make decisions for allocating the Authority's resources. Sound approaches to financial planning are imperative for ensuring long-term success in today's complex funding environment. It also acts as a type of "scorecard" on how the organization is performing and, if necessary, make corrective modifications to ensure its long-term viability.

The Toho Promise

During Spring 2021, Toho leadership and staff revised Toho's Mission, Vision and Values Statements. Our goal was to distill the ideas into a simpler statement that would clearly communicate our core values. It continues to serve as both a beacon to guide us forward and a lens through which we can evaluate our strategic plan initiatives. Our Board has approved the **Toho Promise: Our Customers, Our Community, Our Employees Trust that Toho Cares.**

TOHO'S PROMISE

Our Customers, Our Community, Our Employees Trust That Toho Cares

TOHO'S PRINCIPLES

Integrity

Responsiveness

Dependability

Professionalism

Quality

TOHO'S PRIORITIES

Providing Safe & Reliable Services

Protecting The Environment

Delivering Value

Investing In The Future



The Toho Promise and Priorities drive the development and implementation of our strategic plan initiatives both now and as we conduct periodic revisions.

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Becky Troutman
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CEO/EXECUTIVE DIRECTOR



Todd Swingle

GENERAL COUNSEL

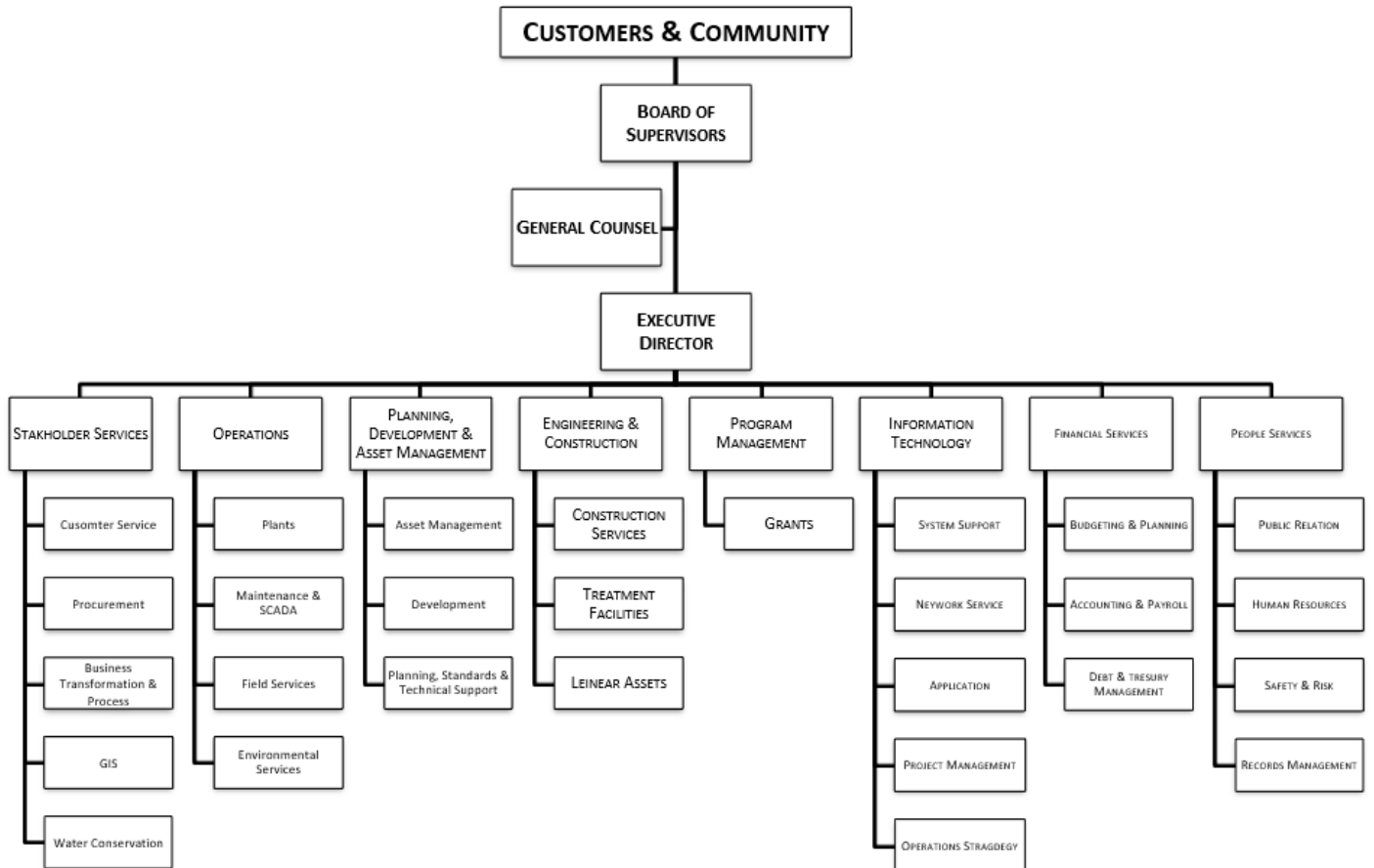


Jad Brewer

ORGANIZATIONAL CHART

TOHOPEKALIGA WATER AUTHORITY OSCEOLA COUNTY, FLORIDA

FUNCTIONAL ORGANIZATIONAL CHART



BUDGET PROCESS

Budget Process

The budget process is an essential part of the Toho's financial plan. It is structured to integrate key decision makers throughout the organization to incorporate their experience and recommendations into producing the budget document. Prior to creating the budget, the strategic plan is reviewed and updated, if necessary. The strategic plan guides the Toho's decisions on resource allocation, first through a long- term, high- level view in the 5-year Capital Budget, followed by the more tactical focus outlined in the annual Operating Budget. Both planning documents are presented to the Toho's Board of Supervisors in annual workshops for consultation and feedback by the Board as well as the Public. The process is completed with the final approval of the Operating Budget through a budget resolution which is also presented at a formal Board meeting compliant with the State of Florida's Sunshine Law.

The Executive Director forwards a final draft of the operating budget to the Board for formal adoption in September where it is either adopted as presented, or amended and adopted by September 30th, if additional budget or rate changes are necessary. The new fiscal year begins October 1st, and interim financial reports are provided to the Board for oversight and to management for internal use.



BUDGET PROCESS CONT.

The Operating Budget process begins in February when department managers prepare budget documents to submit their preliminary requests to division directors. The managers use a zero-based budgeting method in which each budgeted expense line item is justified by an explanation. These requests account for routine operating costs, personnel changes, and previously unidentified issues. Major capital purchases and projects as well as new personnel requests are identified and presented to the Board during the capital budget workshop and are reintroduced in the proposed Operating Budget for consideration by the Board.

Planning for capital improvements and equipment purchases is an essential function of good financial management. Toho is responsible for the efficient expenditure of monies received from ratepayers. The Capital Improvements Plan (CIP) is designed to assist in that function and is developed each year to project what the organization's capital needs will be and how such expenditures will be funded over the next five (5) years.

The Capital Budget is not a "wish list". It is intended to be a schedule of needed projects or equipment with realistic cost estimates. The Capital Budget lists capital outlay and capital improvement projects, together with cost estimates and proposed methods of funding. However, it does not lock the Authority into any specific expenditure over the next five (5) years. Each year, the Authority will update the Capital Budget by incorporating any adjusted priorities, unforeseen events, unique opportunities, or changing cost estimates which have arisen over the course of the previous year.

The Capital Budget process requires focus on the Authority's future needs and funding requirements. It aligns long-term fiscal forecasts with our overall strategic goals and objectives.

CAPITAL		OPERATING	
Dates	Description	Dates	Description
January 9th	CIP Hands-On Training in Dynamic	February TBD	Operating Hands-On Training in Dynamic
January 31 (Fri)	Capital - Open to all Departments	February 17th (Mon)	Dynamic Budgets Open to all Departments
February 10 (Mon) - 24 (Fri) - Calendar invites sent	Headcount/Reclass, Training & Employee Functions Pre-Meetings	April 11th	Department Budget Submissions Due
February (TBD)	Technology Project Review will be covered in the Technology Meeting	April 14 - April 30	Budget Team meeting with Departments
February 28 (Fri)	Fleet Replacement List Due	May 14 - May 23	Dept Meeting - Stakeholder Services
March 7 (Fri)	Department Capital Budget Submissions Due	May 14 - May 23	Dept Meetings - Legal, People Services, ODL, Administration
March 17 (Mon) - March 28 (Fri) - Calendar invites going	Capital Projects & Outlay Pre-Meetings with Budget Office	May 14 - May 23	Dept Meeting - Engineering
End of March	Staffing Review at Leadership Meeting	May 14 - May 23	Dept Meeting - Operations
March 31 - Apr 11	Dept meeting w/Todd – Engineering & Operations (2-4 Hours)	June 2 (Mon - tentative)	Leadership Team Review completed
March 31 - Apr 11	Dept meeting w/Todd – Engineering & Operations (possible 2nd round)	June 10 (Fri)	Final changes to Operating Budget Due
March 31 - Apr 11	Dept meeting w/Todd - Stakeholder Services (2-3 hours)	June 23 - June 27	Board Review Period
March 31 - Apr 11	Dept meeting w/Todd – All Other Depts 2 Hours	June 30 (Mon)	Distribute Final Draft of Operating Budget
May 2 (Thurs - tentative)	Capital Budget Review at Leadership Meeting	August 20 (Wed)	Board Workshop – Operating Budget
May 16	Leadership Team Review completed		
May 17	Final changes to Capital Budget Due	PUBLIC HEARINGS	
May 19 - May 27	Board Review Period	Dates	Description
May 28 (Wed)	Distribute Final Draft of Capital Budget	August 13	Notice of Public Hearing
June 6 (Fri)	Deadline for Capital Project Adjustments	September 10	Public Hearing
June 25 (Wed)	Board Workshop – Capital Budget		Adoption of Budget Resolution

BASIS OF BUDGETING

Toho operates and reports as an enterprise utilizing the accrual method of accounting. Revenues are recognized when earned and expenses are recognized when incurred. Toho incorporates all applicable Government Accounting Standards Board (GASB) pronouncements in accounting and reporting for its operations.

Toho annual budget and five-year forecast are based on the accrual method of accounting and are structured to reflect the same format as the Toho audited financial statements. In other words, the basis of accounting used for purposes of financial reporting in accordance with generally accepted accounting principles (GAAP) is the same basis used in preparing the budget documents.

The budget summary presents budgeted sources and uses so the reader can see all aspects of the budget in a single view. It shows the beginning reserves for each category, sources and uses of revenue, and the final reserve estimated balances for each fund. The goal of the budget submittal is to meet all Toho's reserve requirements including maintaining the renewal & replacement fund, debt reserve, emergency operating reserves, and an overall minimum reserve of 15% of operating expenses plus debt and payment in lieu of taxes (PILOT) fees.



A **balanced budget** is when Toho's operating revenues exceed the operating expenses plus debt, payments in lieu of taxes (PILOT) and required reserves. Since its inception in 2003 Toho has presented a balance budget.

FINANCIAL POLICIES

Toho's financial health is predicated on following sound financial practices that are designed to adhere to bond covenant requirements and achieve internal policy goals and objectives. Below are the financial practices that were followed when developing this year's operating & capital budgets:

1. The direct cost of each of Toho's systems should be accounted for separately. Common and joint costs will not be accounted for separately, but rather, when needed, allocated between each utility utilizing an equitable approach.
2. Rates should be established utilizing a "generally accepted" rate setting methodology.
3. The Utility should be managed to maintain financial stability over time.
4. Rates should be stable over time.
5. Toho shall maintain utility facilities at a level which will provide for the public well-being and safety of the residents.
6. Toho's financial & operating needs shall be balanced against the rates and financial impact to customers.
7. Operating Margin should be stable over time.

The above practices are reviewed annually and updated when necessary. Financial practices and guidelines may be revised, added, or removed to ensure the Authority maintains good stewardship over its resources and financial health into the future.

Overall Financial Policies

1. *Debt Service* – Toho will maintain a debt service coverage ratio of above 150% or 1.5x to avoid funding an additional debt service reserve. The debt service coverage ratio will be no lower than 115% or 1.15x. In FY25 the ratio was 3.70x, but projected at 4.53x in FY26.
2. *Reserve Requirements* – The Authority will maintain the minimum reserve amounts as follows:
 - a. Minimum Operating Reserve will be equivalent to four weeks to total operating & maintenance expenses, excluding PILOT fees.
 - b. Minimum Capital Reserve will be no lower than 15% of operating & maintenance expenses, debt service, and PILOT fees.
 - c. Required to maintain a Renewal & Replacement Reserve that will be increased each year by the Engineering News Record Construction Cost Index.
 - d. *3. Renewal & Replacement (R&R) Funding* - Require to fund the R&R capital each year in the amount of the average five year depreciated net asset value.

ACCOUNTING SYSTEM, INTERNAL ACCOUNTING CONTROLS, AND BUDGETARY CONTROLS

In designing and developing Toho's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding:

- Safeguarding assets against loss from unauthorized use or disposition; and
- Reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that the:

- Cost of control should not exceed the benefits likely to be derived; and
- Evaluation of cost and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that Toho's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The first level of control comes directly from the enabling Act. The second level of control comes from the covenants made by Toho to the bondholders. Among other requirements, Toho must keep accounts in accordance with GAAP and file audited annual financial statements with the State of Florida Department of Financial Services within nine months of the close of the fiscal year; the State of Florida Auditor General within 45 days of receipt of the audit report from the auditor, but no later than nine months after the end of the fiscal year; and with Electronic Municipal Market Access (EMMA) on or before April 30th of each year.

Toho maintains a system of budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual, appropriated budget approved by the Board.

The budget process begins in the winter with a review and update of the Strategic Plan and with the staff's preparation of a capital budget, focusing heavily on long-term assets that will shape future operating requirements. This is followed by a workshop presentation to the Board and public, providing an opportunity for their input and feedback on the long-range goals of managing and operating the utility system, with particular attention paid to how capital projects will introduce new ongoing costs. The operating budget then explicitly incorporates the goals and objectives identified during the strategic and capital planning process, ensuring that the operational impacts of new capital expenditures—such as maintenance, staffing, and utilities for new facilities, as well as associated debt service payments—are fully budgeted for the new fiscal year. The Executive Director forwards a final draft of the operating budget to the Board for formal adoption in September where it is either adopted as presented, or amended and adopted by September 30th, if additional budget or rate changes are necessary to cover these new operational costs. During this meeting, the public has a chance to speak on any questions or issues they have with the budget being presented. The new fiscal year begins October 1st, and interim financial reports are provided to the Board for oversight and to management for internal use, with a key focus on monitoring the performance of the newly operational capital projects against the revised operating budget.

STRATEGIC GOALS AND STRATEGIES

What is Toho's Strategic Plan?

Toho's Strategic Plan is a one-page document that describes the critical priorities that will move the organization forward. These strategic level priorities help the organization align its resources accurately to achieve the desired goals. Using a strategic plan with clear and focused action steps helps provide effective ownership and implementation.

Our current Strategic Plan was adopted by the Board in October 2024 and will continue to guide us through September 2026. A new Strategic Plan will be implemented for FY27. The current plan focuses on our three highest priority goals:

- On-time and Value Driven Infrastructure – Plan, deploy, and manage infrastructure in a manner that meets targeted service levels and provides long-term value for customers, community, and the environment.
- Process Development and Optimization – Enhance collaboration, efficiency, productivity, and organizational effectiveness for the benefit of our customers, community, and employees.
- Organizational and Employee Alignment – Drive organizational results by prioritizing systems that promote employee development, engagement, and brand alignment.

Three strategies were developed for each of these goals as detailed on the following page. Additionally, each strategy is supported by a combined total of thirteen action plans to provide more specific direction. Each action plan is sponsored by a member of senior leadership to guide and engage the team members responsible for executing each plan.

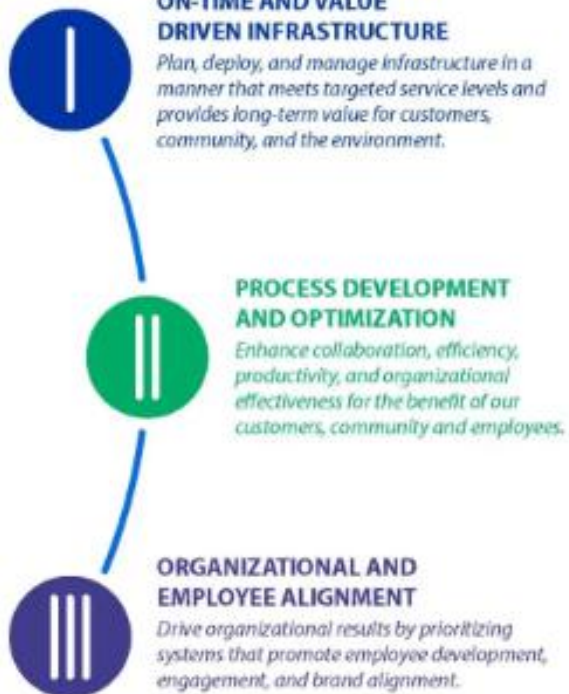
As we are near the end of the current planning cycle, an update of the strategic plan is to begin to establish Toho's top priorities for the FY2027 through FY2028 planning cycle.

More details on our current strategic plan can be found on the following pages.



October 1, 2024 - September 30, 2026
STRATEGIC PLAN

GOALS



STRATEGIES



STRATEGIC GOALS AND STRATEGIES CONT.

GOAL #1 - ON-TIME AND VALUE DRIVEN INFRASTRUCTURE Plan, deploy, and manage infrastructure in a manner that meets targeted service levels and provides long-term value for customers, community, and the environment.	
1.A) Improve infrastructure project planning, execution, and transfer to operations.	1.A.1) Implement an automated process that provides visibility to key stakeholders about service levels, and demands (current and projected) by service type, <u>at least</u> on a quarterly basis.
	1.A.2) Formalize and stand-up Project Management Office(s) to streamline project management processes, strengthen cross-functional partnerships and collaboration, improve visibility of performance outcomes, and project execution in order to deliver projects that meet needs and are delivered on time and within budget.
	1.A.3) Develop and deliver programmatic approaches to the infrastructure Renewal and Replacement projects in order to balance cost and risk.
1.B) Optimize system-wide water use to defer infrastructure investment needs.	1.B.1) Develop and deliver water conservation programs that sustain behavioral changes through implementation of programs focused on: Education and Outreach; Enforcement of Standards; and Water Audit Process.
GOAL #2 - PROCESS DEVELOPMENT AND OPTIMIZATION Enhance collaboration, efficiency, productivity, and organizational effectiveness for the benefit of our customers, community and employees.	
2.A) Establish and sustain a continuous improvement culture.	2.A.1) Develop and deliver a process improvement model and training across organization, systematically, that provides a framework for standardizing continuous improvement.
	2.A.2) Implement and measure service levels and key performance indicators (KPIs) that enhance and optimize high impact or vulnerable process areas.
2.B) Improve process effectiveness, efficiency, and reliability in our highest impact areas.	2.B.1) Enhance Toho's Water Quality Management Program to establish a proactive approach to planning for new regulatory requirements, prevent water quality issues from arising, and effectively respond to water quality issues when they arise.
	2.B.2) Deploy customer facing technology solutions, including self service solutions, and organizational process enhancements to improve customer experience by reducing wait times and improving first call resolution.
	2.B.3) Develop and deploy (1) an updated IT governance system (cyber security, IT policies and practices) and (2) a business technology project framework (addresses the full technology life cycle) including business process assessment, project planning and prioritization, project delivery, and post deployment transfer and support.
	2.B.4) Implement an automated solution that supports the Contractual Agreements and Associated Obligations process.
GOAL #3 - ORGANIZATIONAL AND EMPLOYEE ALIGNMENT Drive organizational results by prioritizing systems that promote employee development, engagement, and brand alignment.	
3.A) Build Toho's Promise focused brand, both internally and externally.	3.A.1) Implement a communications strategy to build a culture that: 1) improves brand consistency, and 2) clearly connects our work to the Toho Promise and Priorities, including those outlined in this Strategic Plan.
3.B) Enhance our organizational capabilities and depth.	3.B.1) Align learning development programs with organizational and individual needs, using a tiered level approach, that focuses on skill development (technical and leadership), industry trends awareness, deepening knowledge, and applying best practices.
	3.B.2) Enhance organizational performance and employee engagement by developing a performance system and tool that aligns with employee development objectives and organizational priorities, including timely feedback and compensation.

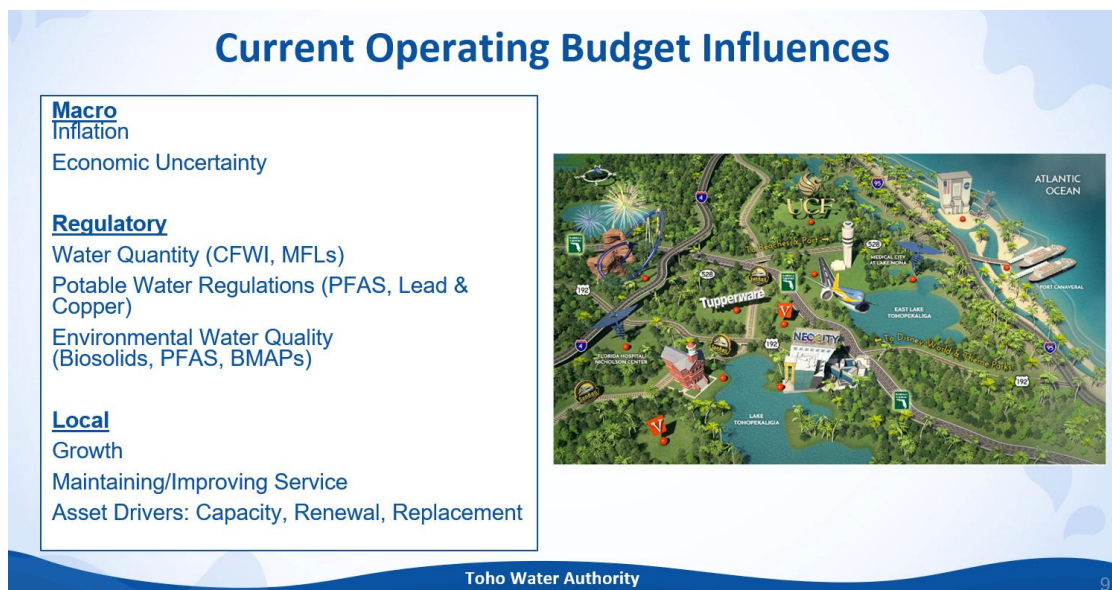
PRIORITIES AND ISSUES

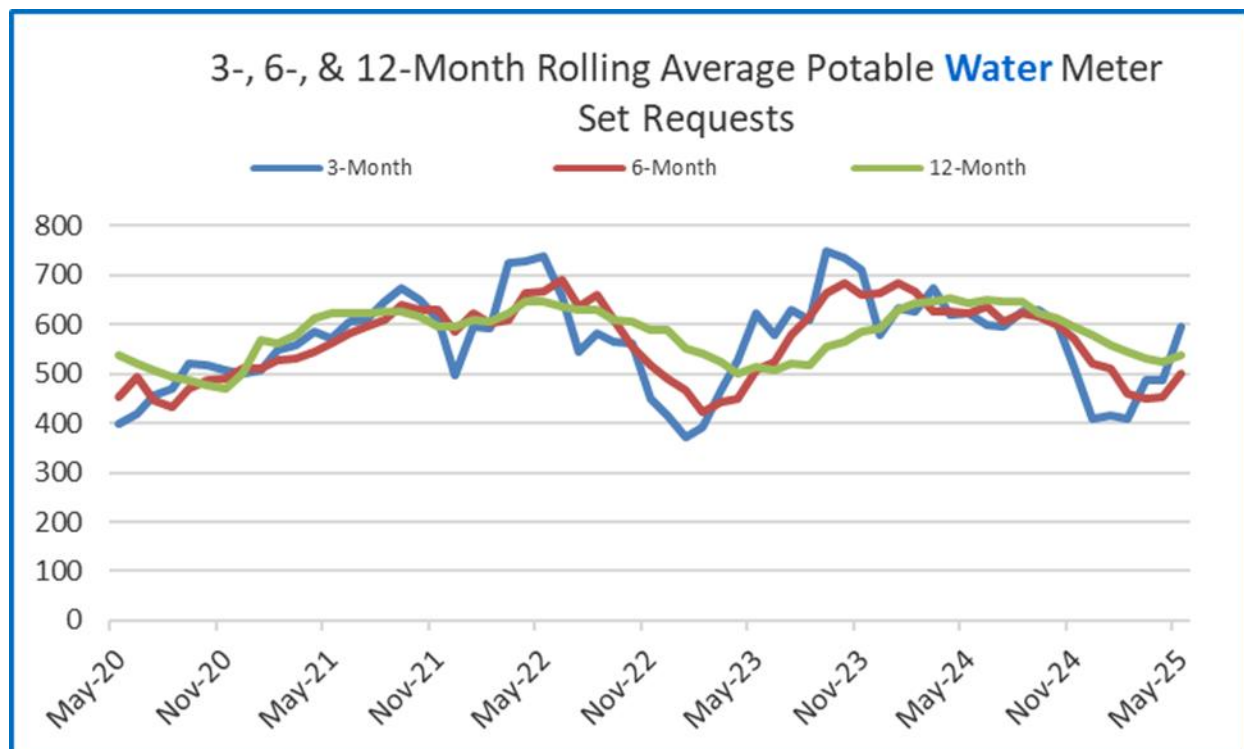
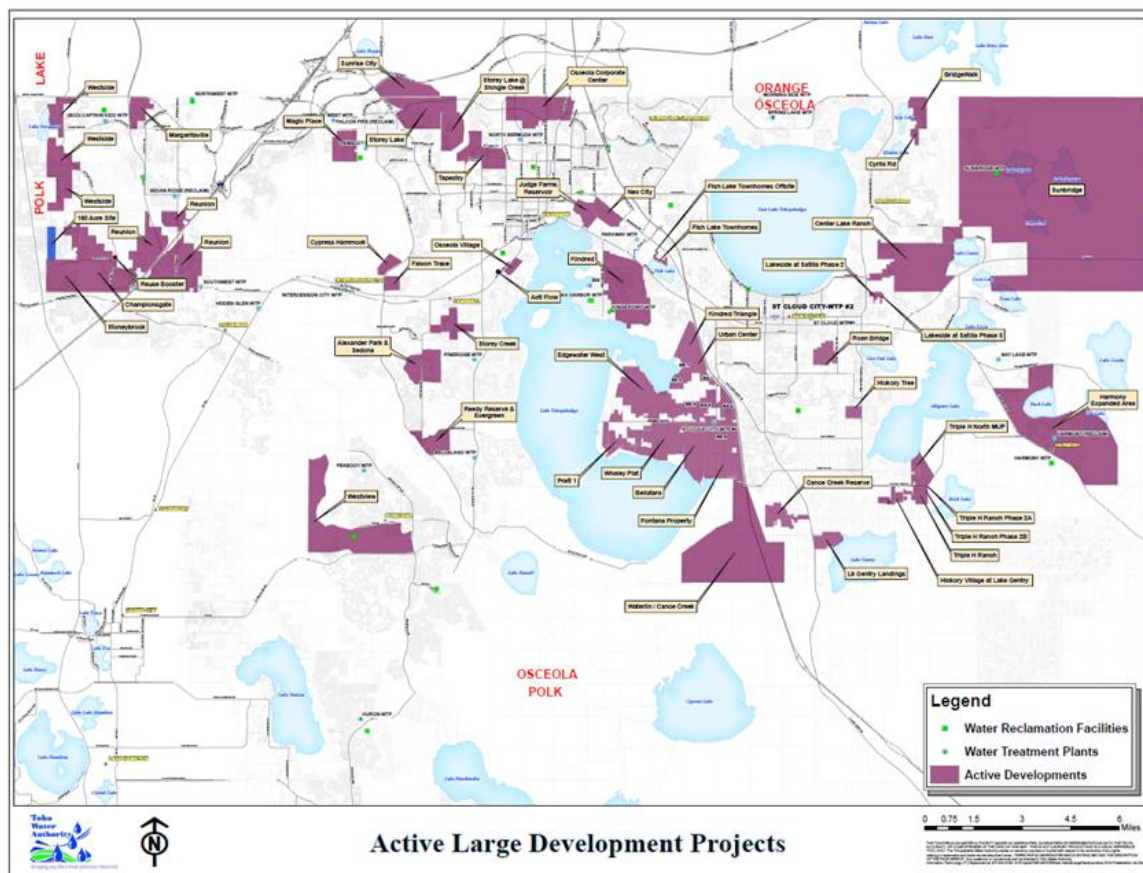
Toho has faced many issues over the past several years as shown in the graphics below:



The following graphic highlights the factors that affect our short and long-term sustainability. These factors include global issues including inflation and economic fluctuation, new requirements and guidance surrounding water quantity and quality, as well as local issues currently affecting Toho such as growth and maintenance.

In addition to those factors shown above, the total number of meters and development projects have increased exponentially as shown in the following graphics:





To provide additional context to our financial planning, the following graphics illustrate two key performance perspectives: Supply Portfolio Management and Capital Project Execution Rates.

The first chart presents capital project execution rates, showing our ability to deliver approved projects as planned. Execution is projected at 100% in FY2025, 90% in FY2026, and 83% in FY2027. These metrics reflect both our commitment to completing projects on time and the practical challenges of managing a multi-year capital program.

The second chart titled “Supply Portfolio Management” presents a bar chart labeled “CIP Project Category YOY Comparison (millions).” It compares capital project investments across different categories over four planning horizons.

- Key Observations:
 - The largest investments are in Plant & Reinvestment or Expansion and Alternative Water Supply (AWS), showing substantial growth over time.
 - Line Improvements and Asset Management also remain steady priorities across planning periods.
 - Smaller, but still notable, allocations are shown for Technology & AMI Infrastructure and Capital Outlay.

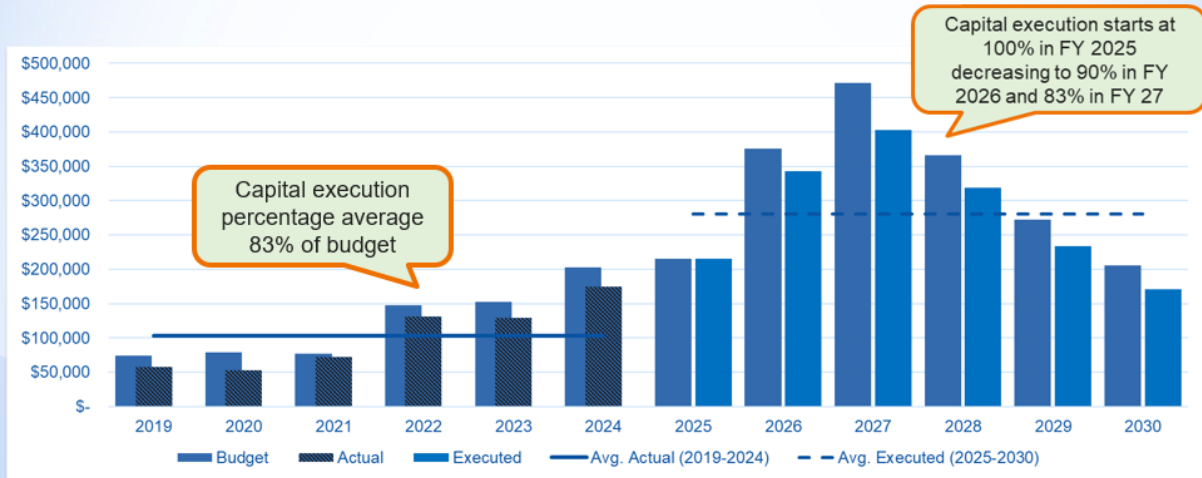
Overall, the chart illustrates how Toho is managing its supply portfolio by diversifying investments across core infrastructure areas, with an emphasis on future water supply and plant expansion projects.

Together, these visuals reinforce how we are strategically managing both operational and capital resources to ensure reliable service delivery while maintaining fiscal responsibility.

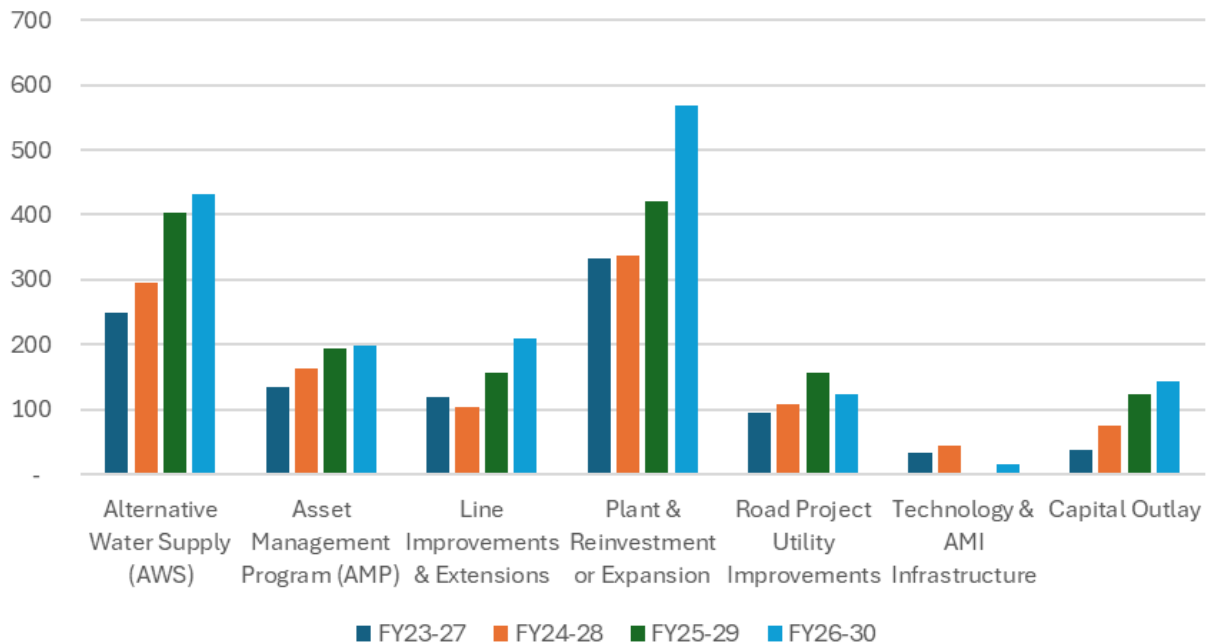


Supply Portfolio Management

Capital Spending (000s)



CIP Project Category YOY Comparison (millions)



FUND DESCRIPTIONS AND FUND STRUCTURE

Toho's budget is separated into specific funds: The Operating Fund (421), the Water System Development Charges (SDC) Fund (422), and the Wastewater SDC Fund (423). The Operating Fund is accounted for as an enterprise fund. Rates, fees and charges are established by the Board of Supervisors. The revenue generated by rates and other operating revenues is used to fund Toho's operations. The Water and Wastewater SDC Funds are accounted for as restricted system development funds. System development charges are established by the Board of Supervisors. Only those capital costs specifically attributed to new development or growth-related impacts can be legally funded with system development revenue.

The budget summary presents budgeted sources and uses so that the reader can see all aspects of the budget in a single view. It shows the beginning reserves for each category, sources and uses of revenue, and the final reserve estimated balances for each fund. The goal of the budget submittal is to meet all the Toho's reserve requirements including maintaining the renewal & replacement fund, debt reserve, emergency operating reserves, and an overall minimum reserve of 15% of operating expenses plus debt and payment in lieu of taxes (PILOT) fees.

DEPARTMENT/FUND RELATIONSHIP

The following table shows which funds are utilized for each department. As of this time, all Departments utilize Water funds. Assets & Infrastructure utilize Water funds for their operating costs but may use the other funds for capital projects.

	421 Operating Fund	422 System Development Charges - Water	423 System Development Charges – Wastewater	431 Bonds	432 Grants
Department					
Operations	✓				✓
Assets & Infrastructure	✓	✓	✓	✓	✓
Financial Services	✓				✓
Human Resources	✓				✓
Communications	✓				✓
Stakeholder Services	✓				✓
Office of the General Council	✓				✓
Administration	✓				✓

CONSOLIDATED/THREE YEAR CONSOLIDATED FUND FINANCIAL SCHEDULE (000s)

Toho Water Authority					
Budget Schedule - Operating Revenues Comparison					
	2022	2023	2024	2025	2026
	Actual	Actual	Actual	Budget	Budget
	Total	Total	Total	Total	Total
Water Sales	33,366	36,258	60,689	63,743	70,899
Wastewater Sales	84,905	91,702	99,117	124,224	138,964
Reclaimed Water Sales	15,361	18,336	27,689	29,502	38,316
Other Operating Revenues	2,155	2,201	7,082	7,716	10,010
Tap Fees	2,750	3,048	6,981	4,920	7,211
Miscellaneous Revenues	1,177	1,519	1,883	2,054	2,097
Investment Income	(4,034)	6,406	10,424	4,723	6,017
Total	135,680	159,470	213,865	236,882	273,514
	2022	2023	2024	2025	2026
	Actual	Actual	Actual	Budget	Budget
	Total	Total	Total	Total	Total
Salaries and Wages - Regular Pay	21,775	28,818	32,208	35,737	40,375
Salaries and Wages - Other Pay	985	1,428	1,556	1,219	1,326
Salaries and Wages - Overtime	17,796	2,872	3,445	3,447	3,996
FICA	1,773	2,415	2,735	3,226	3,508
Retirement Contributions	3,202	4,375	3,720	3,962	4,458
Life and Health Insurance	4,956	7,255	9,104	9,359	10,379
Workers' Compensation	182	194	229	223	249
Unemployment Compensation	(1)	3	5	0	0
Total	50,668	47,360	53,002	57,173	64,291
	2022	2023	2024	2025	2026
	Actual	Actual	Actual	Budget	Budget
	Total	Total	Total	Total	Total
Contracted Services	11,473	14,836	15,673	16,711	16,391
Other Maintenance	414	597	13,377	14,946	15,026
Utilities	8,225	11,526	11,256	11,667	12,174
Other Operating Costs	1,152	1,892	9,766	8,100	8,538
Other Supplies	10,271	13,741	5,198	5,263	5,553
Chemical Supplies	1,122	1,348	8,833	7,976	8,624
Auto Maintenance	2,888	4,015	2,558	2,157	2,355
Gas & Oil	2,472	7,425	1,341	1,486	1,435
Travel & Training	6,278	8,158	784	883	883
Total	44,295	63,538	68,786	69,189	70,979
	2022	2023	2024	2025	2026
	Actual	Actual	Actual	Budget	Budget
	Total	Total	Total	Total	Total
Debt Service	18,457	18,106	18,412	18,412	24,412
PILOT (Payment in Lieu of Taxes) Fees	12,520	17,711	17,992	20,438	23,386
Renewal & Replacement Transfer	17,482	18,181	20,297	24,442	27,194
Net Revenues after Debt Service & Transfers	(7,742)	(5,426)	35,376	47,228	63,252

**Investment Income/Loss (loss in red)*

FUND BALANCE

Toho's Fund Balance/Net Position is the accumulation of revenues minus expenditures over time. The purpose of this savings provides Toho with cash flow, emergency funds for unexpected expenses, and to facilitate saving money over time for anticipated capital projects. The current and fund balance history are provided in the following table. The FY25 Statement of Net Position is found in the ACFR and will be available in April 2026. The most recent schedule from the FY24 ACFR is shown below. The overall Net Position increased from FY23 to FY24 because Toho was finalizing the acquisition of St. Cloud into Toho's overall customer base, including new revenues and capital assets.

Comparative Summary of the Statement of Net Position as of September 30, 2024 and 2023 (In Thousands)

	2024	2023	Increase / (Decrease)	
			Change	%
Current assets	\$ 158,277	\$ 203,901	\$ (45,624)	-22.4%
Non-current assets-other than capital assets	312,188	288,791	23,397	8.1%
Total Capital Assets (Net)	1,439,762	1,202,072	237,690	19.8%
 Total Assets	 1,910,227	 1,694,764	 215,463	 12.7%
Total Deferred Outflows of Resources	19,600	24,613	(5,013)	-20.4%
Total Assets and Deferrals	1,929,827	1,719,377	210,450	12.2%
 Current liabilities	 86,430	 78,909	 7,521	 9.5%
Non-current liabilities	275,598	266,635	8,963	3.4%
Total Liabilities	362,028	345,544	16,484	4.8%
Total Deferred Inflows of Resources	56,260	54,933	1,327	2.4%
Total Liabilities and Deferrals	418,288	400,477	17,811	4.4%
 Net investment in capital assets	 1,178,530	 956,470	 222,060	 23.2%
Restricted - system development charges	210,456	216,233	(5,777)	-2.7%
Unrestricted	122,553	146,197	(23,644)	-16.2%
Total Net Position	\$ 1,511,539	\$ 1,318,900	\$ 192,639	14.6%

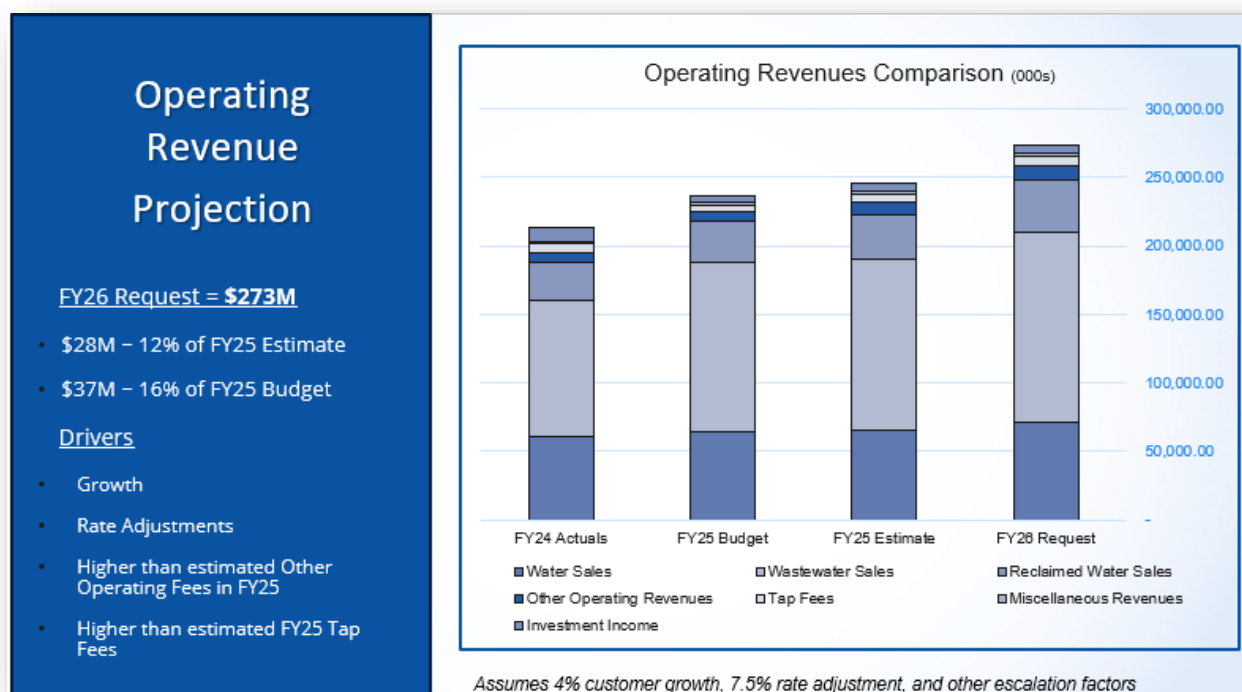
REVENUES

The chart below illustrates the Toho's Operating Revenue Projection through FY26, highlighting key drivers of anticipated growth. The FY26 revenue request is \$273 million, which represents a \$28 million (12%) increase over the FY25 estimate and a \$37 million (16%) increase over the FY25 budget.

This growth is primarily driven by:

- Customer growth and demand trends,
- Rate adjustments to support long-term financial stability,
- Higher-than-estimated revenues from operating fees and tap fees in FY25.

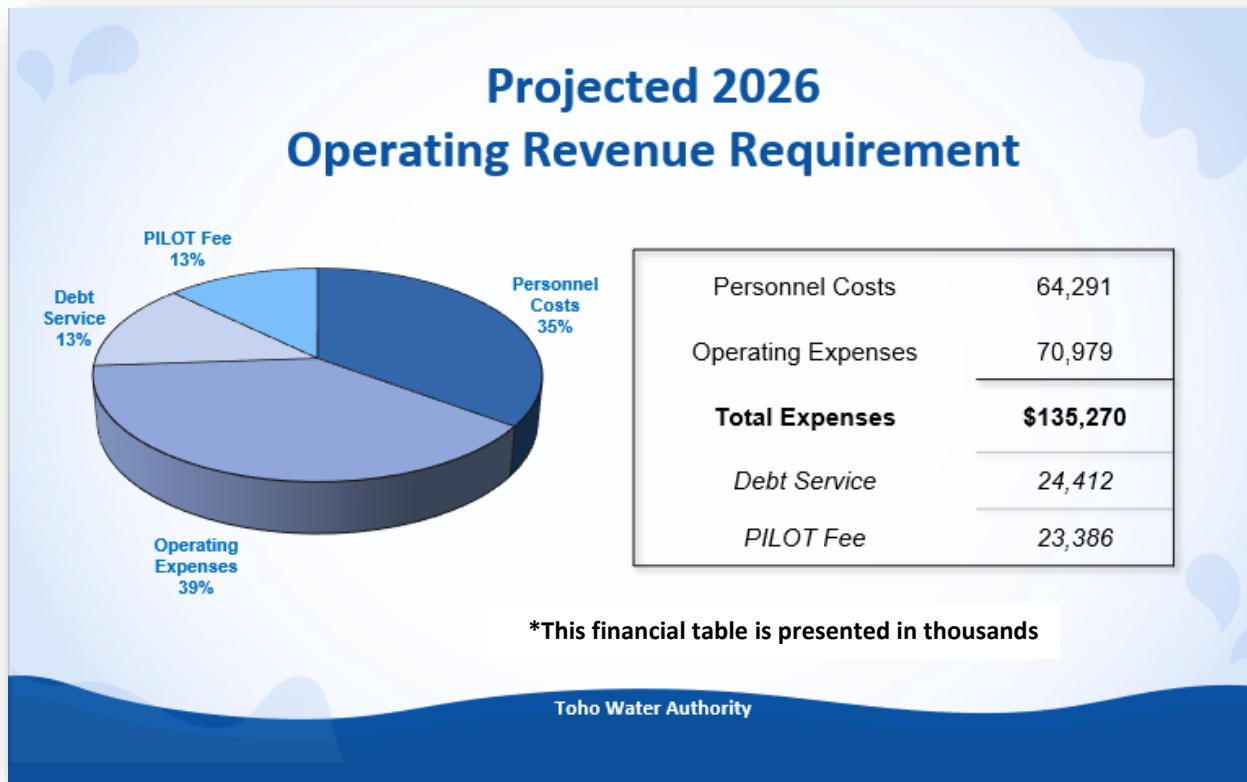
The bar chart shows a side-by-side comparison of revenue categories—including water sales, wastewater sales, reclaimed water sales, tap fees, investment income, and miscellaneous revenues from FY24 actuals through the FY26 request. These projections assume 4% customer growth based on historic growth, a 7.5% rate adjustment generated due to inflation, and other escalation factors such as growth and increased costs.



REVENUES CONT.

The graphic below illustrates the **projected FY26 operating revenue requirement**, totaling approximately **\$135 million**. The pie chart highlights the major cost drivers, with **Operating Expenses (39%)** and **Personnel Costs (35%)** comprising nearly three-quarters of the requirement. The remaining components are split between the **PILOT Fee (13%)** and **Debt Service (13%)**.

These graphic underscores a balance between day-to-day operating needs, workforce investment, financial obligations, and community contributions, all of which must be funded through the FY26 revenue request.



LONG-RANGE OPERATING FINANCIAL PLANS

Every financial forecast is built on a set of assumptions, and it is important to recognize that unexpected events or changing circumstances can impact those assumptions over time. While some forecasts present best- and worst-case scenarios to illustrate potential ranges, the wide array of variables facing Toho makes it impractical to summarize every possibility.

To provide clarity and consistency, this forecast applies a set of general assumptions across all funds, with exceptions made only when unique factors require them. It is also important to note that the long-range forecast does **not** account for the potential acquisition of additional utility systems or the capital improvement projects that might accompany such expansions.

The underlying assumptions are as follows:

The current economic environment, both nationally and within Florida, continues to reflect stable growth. At the state level, Florida’s economy is projected to grow between 2.5% and 3.0% in 2025, outperforming the national average (Florida Chamber Foundation, 2025; see also Florida Chamber of Commerce, 2025). According to forecasts by the UCF College of Business, Real Gross State Product (GSP) is expected to average approximately 2.2% annual growth from 2025 to 2028, decelerating gradually through that period (UCF Institute for Economic Forecasting, Winter 2025). This provides a supportive foundation for our five-year local economic outlook.

Florida’s unemployment rate stood at approximately 3.7% as of 2025, reinforcing a strong labor market and economic resilience (UCF Institute for Economic Forecasting, Spring 2025). That said, the state has witnessed signs of cooling in housing demand, with headwinds from higher mortgage and insurance costs and other affordability pressures that temper momentum without signaling outright weakness (UCF Institute for Economic Forecasting, 2025; Comerica Bank, 2025). Elevated homeowners’ insurance costs and property tax pressures are influencing decisions for potential buyers and slowing the pace of rapid price growth (Comerica Bank, 2025).

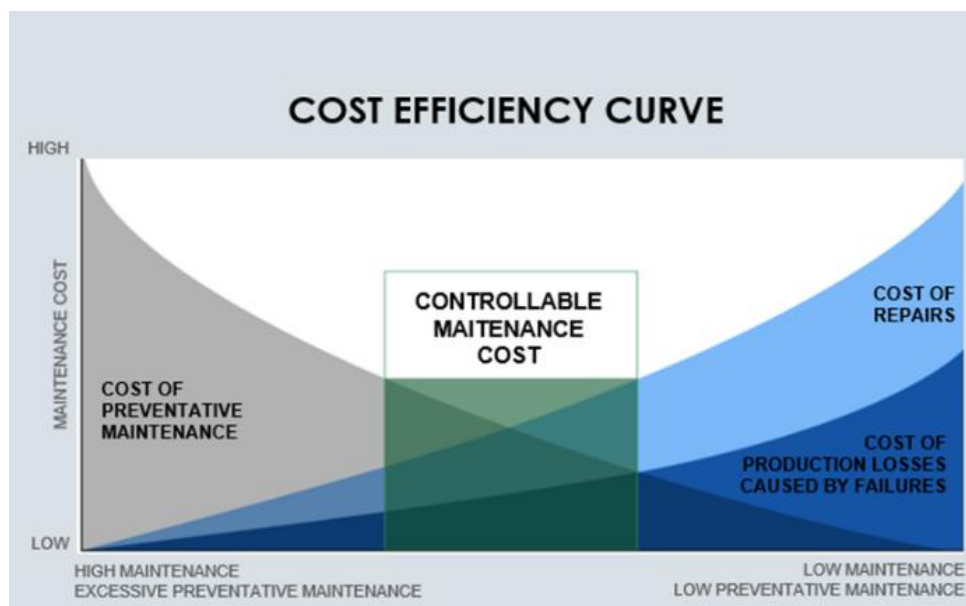
Given the likely slowing pace of per-capita water use—bolstered by local water conservation initiatives and statewide efforts to reduce demand (Florida Department of Environmental Protection, 2025)—and anticipated moderation in customer growth, our conservative assumptions remain well-founded. Water conservation across utilities and districts is a key strategy to curb per-capita usage (Southwest Florida Water Management District, 2023). We continue to apply projected customer growth rates of 2.5% annually for the first three fiscal years and 2.0% for the final two years of the capital plan. These rates reflect both ongoing reductions in per-person water usage and prevailing economic caution. Importantly, reclaimed water usage projections remain exempt from these adjustments: its smaller usage base and continued resilience to conservation measures mean that reclaimed water growth continues to exceed expectations in most scenarios.

Water conservation programs continue to reduce average per capita water consumption. Overall operation growth is based on percentage of change of projected cash flows. Further, the rate plan adjustments reflect the Board approved rates from FY24 – FY28 (**Resolution 2023-007**).

Revenue Growth Assumptions Per Current Plan

Key Rate Revenue Assumptions		2026	2027	2028	2029	2030
Billed Services Growth	Water, Wastewater, Irrigation	4.0%	4.0%	4.0%	4.0%	4.0%
	Reclaim Water	7.9%	7.9%	7.9%	7.9%	7.9%
Current Rate Plan Adjustments*		5.0%	5.0%	5.0%	4.0%	4.0%
Rate Revenue Growth		10.6%	10.5%	10.6%	8.7%	8.7%

Operating Margin Relationships exist in Toho and can be explained in the following graph.



The **Cost Efficiency Curve** demonstrates the importance of finding a balanced approach to maintenance spending. At one end of the curve, **excessive preventative maintenance** leads to unnecessarily high costs without proportional gains. On the opposite end, **insufficient or deferred maintenance** results in lower initial costs but significantly higher long-term expenses due to equipment failures, emergency repairs, and production losses. The optimal point lies in the center, known as the **Controllable Maintenance Cost** zone, where total maintenance costs are minimized and operations are most efficient.

Integrating the concept of **Upfront Investment** further highlights this balance. Investing more in preventative maintenance and capital improvements early on can lead to **increased levels of service** and **reduced future costs** by avoiding unplanned failures and prolonging asset life. However, this approach comes with **higher initial operating and capital expenditure**, which can **decrease short-term operating margins**. On the other hand, choosing to defer or delay costs may provide immediate financial relief and **increase operating margins temporarily**, but often leads to **service degradation** and **higher future costs**. This trade-off reinforces the need for strategic investment planning to sustain long-term cost efficiency and service reliability.

The table on the following page lists the major inflation factors and categories:

Cost Escalation Factors	FY26	FY27	FY28	FY29	FY30
General Inflation Factor	3.5%	3.5%	3.5%	3.5%	3.5%
Salaries & Wages	13.0%	9.0%	9.0%	9.0%	9.0%
Health Insurance	10.0%	8.5%	8.5%	8.5%	8.5%
Repair & Maintenance	7.5%	8.0%	6.0%	6.0%	6.0%
Contracted Services	2.0%	5.0%	5.0%	5.0%	5.0%
Utilities	7.0%	7.0%	7.0%	7.0%	7.0%
Petroleum Supplies	5.0%	5.0%	5.0%	5.0%	5.0%
Chemicals	5.0%	5.0%	5.0%	5.0%	5.0%
Overall Operating Expense Growth	7.8%	7.8%	7.5%	7.6%	13.9%

Toho has outlined its cost escalation factors for fiscal years 2026 through 2030, highlighting projected increases in key expense categories that influence overall operating costs. Among the most significant contributors to this growth are **Salaries & Wages**, which begin at a steep 13.0% in FY26 and stabilize at 9.0% annually through FY30. This increase reflects higher escalation due to level of staffing which offsets Contracted Services. **Health Insurance** and **Repair & Maintenance** also see notable increases, although they show a slight downward trend over time—from 10.0% and 7.5% in FY26 to 8.5% and 6.0% respectively by FY30. **General Inflation**, pegged consistently at 3.5%, reflects a stable economic outlook, while **Utilities**, **Petroleum Supplies**, and **Chemicals** are all projected to increase steadily at 5–7% per year.

The **Overall Operating Expense Growth** remains steady at around 7.5% to 7.8% annually from FY26 through FY29, indicating controlled escalation across most categories. However, FY30 sees a sharp jump to **13.9%**, suggesting a significant projected cost spike in that year due to additional O&M costs for Cypress Lake. These projections serve as a crucial planning tool for Toho, enabling proactive budgeting and rate-setting strategies to maintain service reliability amid rising costs.

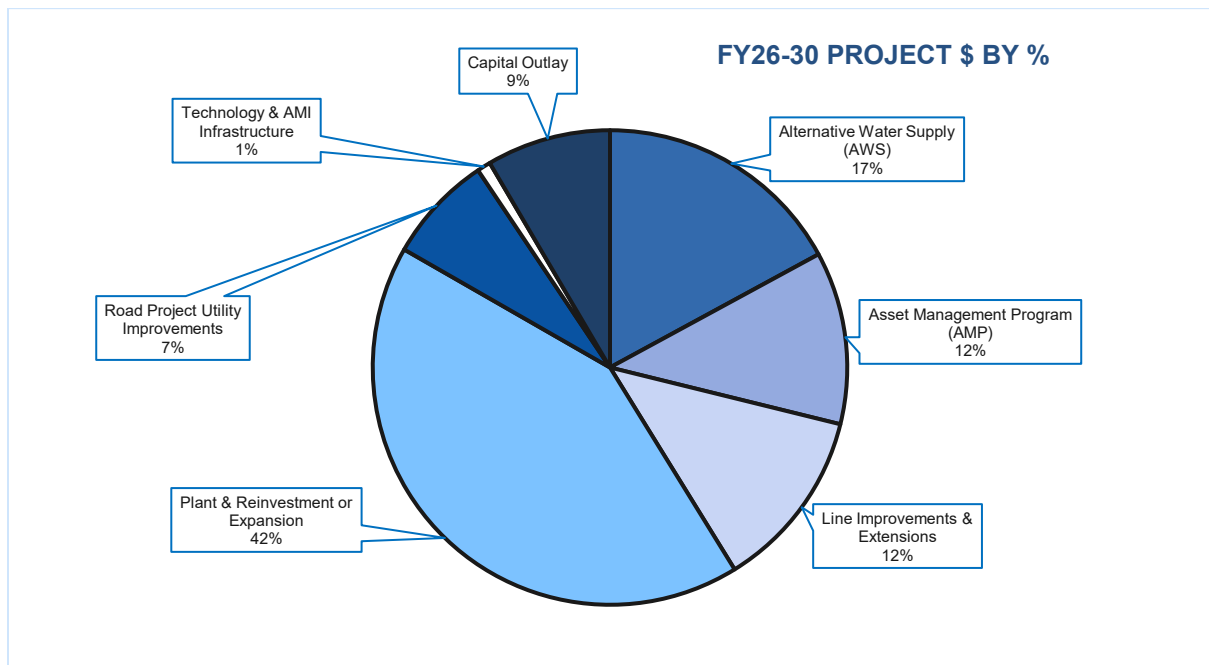
CAPITAL PROGRAM

The charts below illustrate the 5-year capital improvement plan for Toho Water Authority. Over the next five years, we expect to spend \$1.69 billion improving and maintaining our system. The year over year total 5-year increase is approximately \$245 million. The pie chart represents the % of project by number, not by dollar amount.

The largest part of Toho's net position reflects its investment in capital assets (e.g., land, building and improvements, water and wastewater equipment), less any related outstanding debt used to acquire those assets. Toho uses these capital assets to provide services to customers; Consequently, these assets are not available for future spending. Although Toho's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance of unrestricted net position may be used to meet Toho's on-going obligations to customers and creditors.

When Capital Projects increase, there can be some related changes that may increase the operating budget. Primarily, these changes are captured in the staffing, utilities and insurance, as we have increased those areas throughout the budget to handle the additional work that needs to be done when shifting priorities to new capital projects. We are keeping a tight focus on things like travel to help offset some of the operating increases caused by the expanding capital plan. Toho utilizes energy-efficient equipment in some capital investments to reduce future operating costs. Additionally, some shifts from operating expenses to capital budgets, such as R&R costs, to temporarily improve operating margins. These measures should align capital and operating budgets to ensure sustainability and financial health.

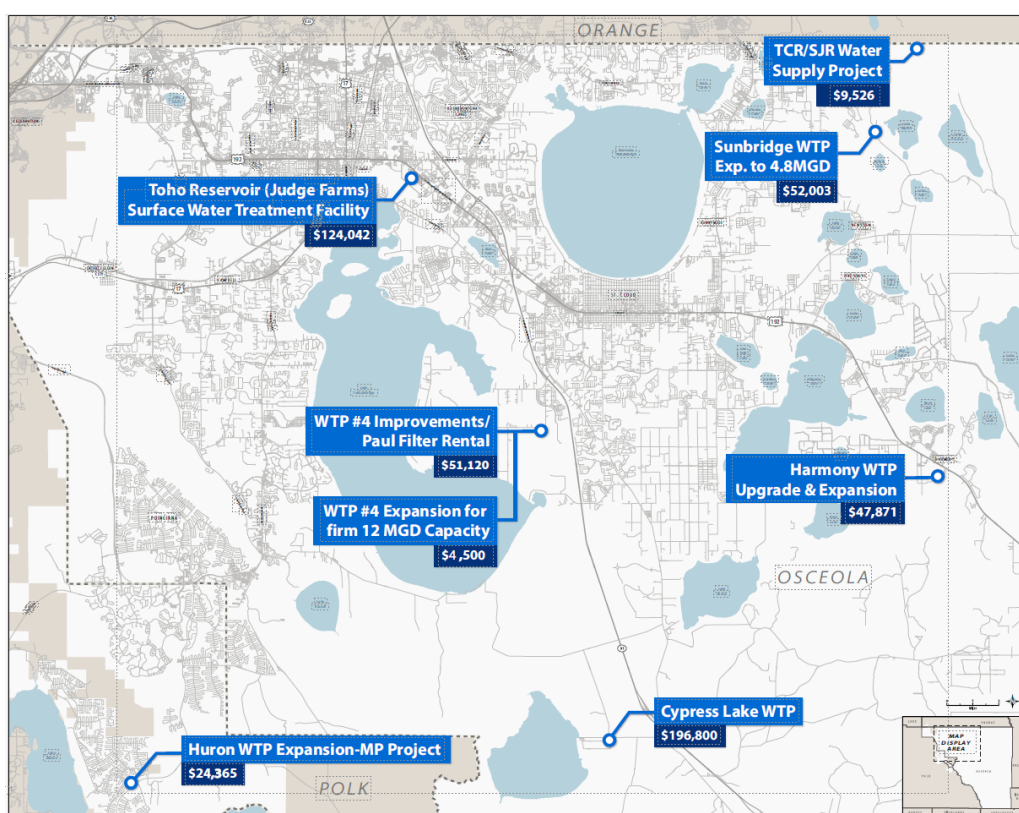
When adding new projects to the long-term CIP, all items must be approved by the CEO and Board of Supervisors.



TOP PROJECTS

Toho is proud to present its top capital projects, reflecting a steadfast commitment to infrastructure excellence and community growth. These initiatives include vital water system upgrades, strategic reinvestment in wastewater treatment facilities, and comprehensive line improvements and extensions designed to enhance service reliability and capacity. In addition, Toho is advancing key road projects and major transportation enhancements that support regional mobility and safety. These efforts are part of a broader asset management program that prioritizes sustainability, resilience, and long-term value for the residents and businesses we serve.

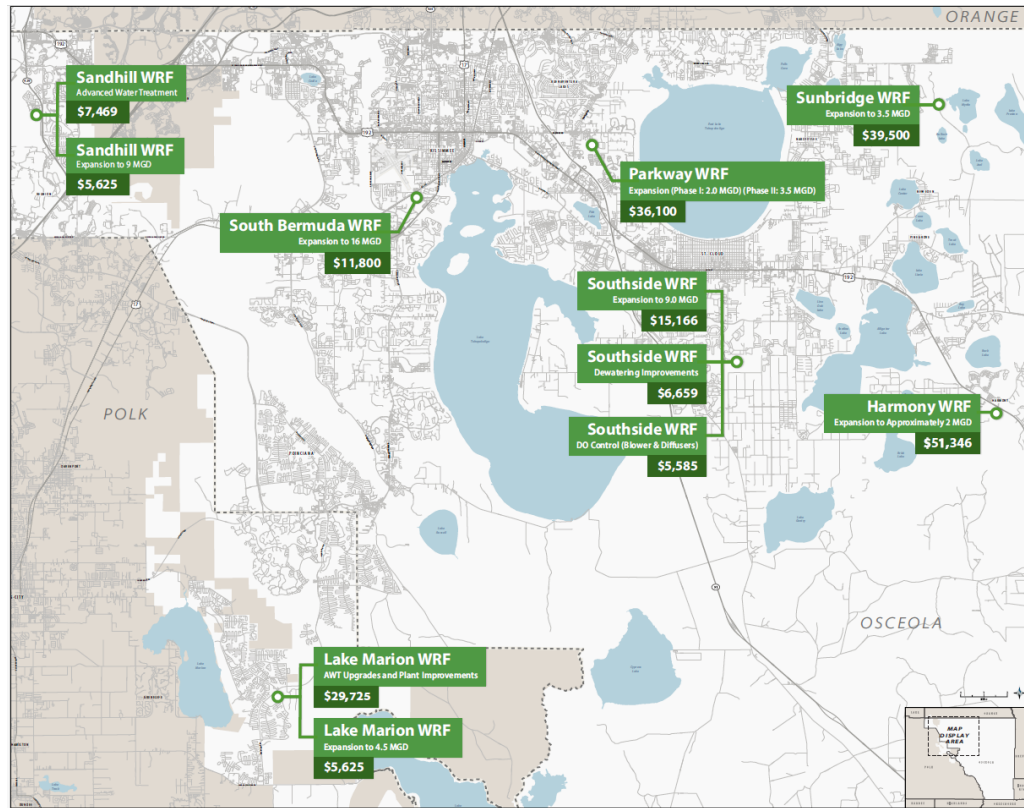
Water Projects



Total forecasted five-year investment: **\$678 Million**

Top 5 projects represent **69%** of investment over forecast period.

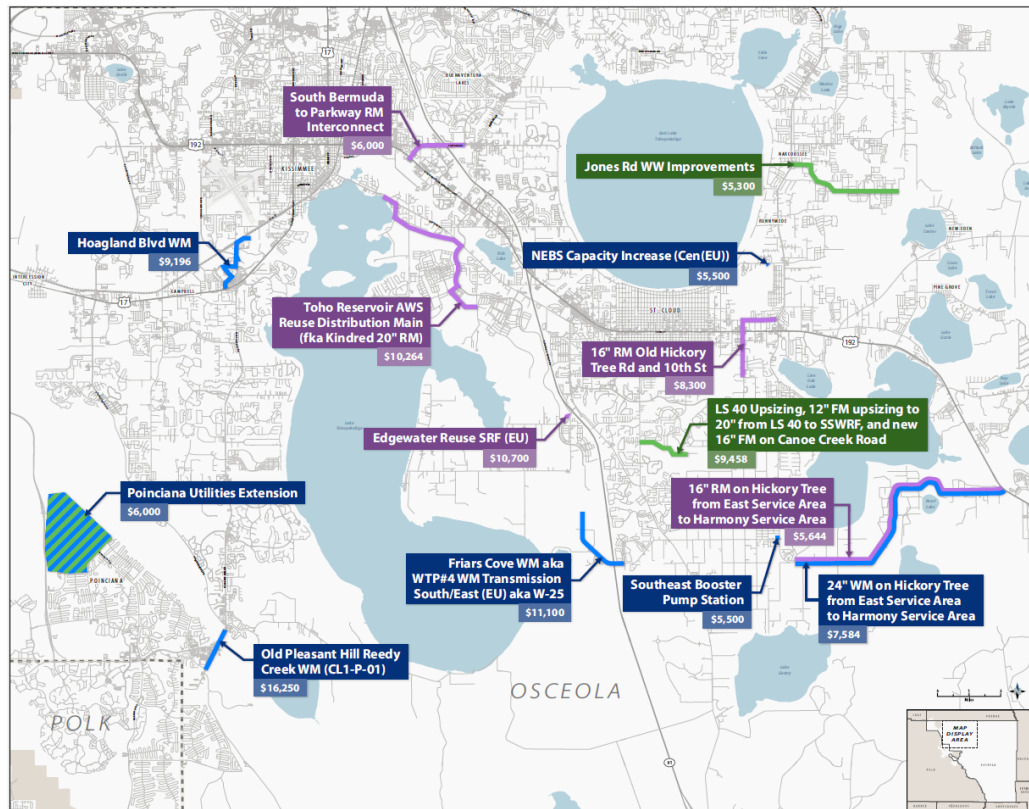
Wastewater Plant Reinvestment



Total forecasted five-year investment: **\$323 Million**

Top 5 projects represent **53%** of investment over forecast period

LINE IMPROVEMENTS & EXTENSIONS



Total forecasted five-year investment: **\$209 Million**

Top 5 projects represent **40%** of investment over forecast period

ROAD PROJECTS

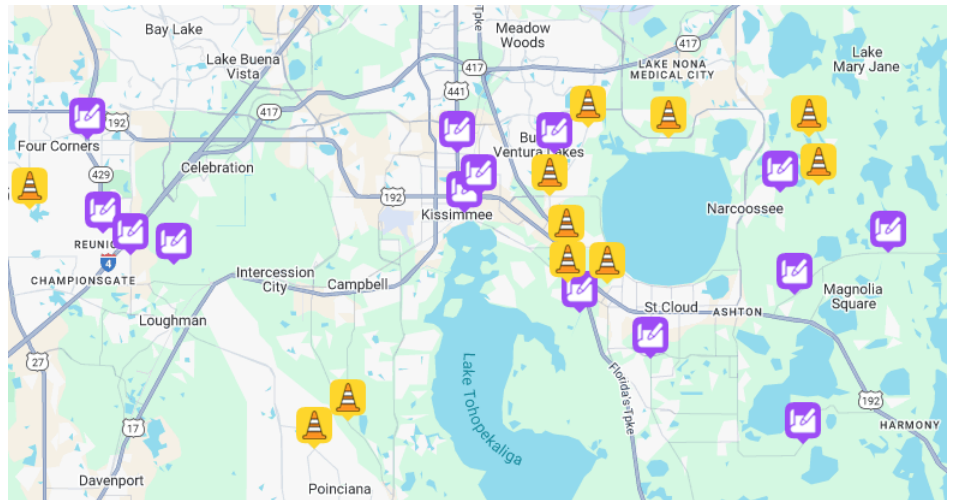
The following map shows Osceola County Road Projects which will affect Toho Water Authority. This includes both projects under construction and projects under planning/design.

Projects Under Construction:

- Boggy Creek
- Cyrils Drive Improvement
- Fortune Road & Simpson Road
- Neptune Road Improvement
- Partin Settlement Road

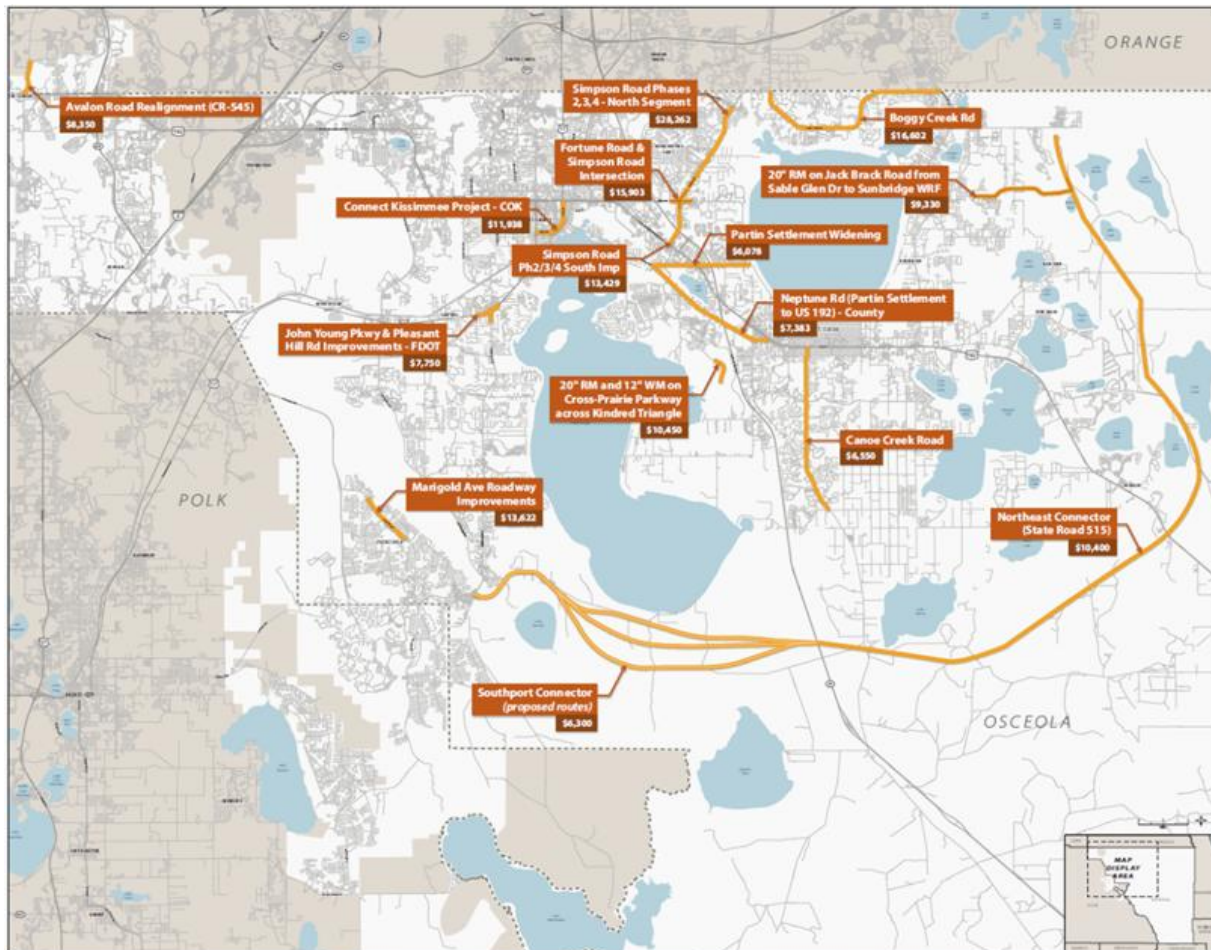
Projects Under Planning/Design:

- BVL Improvements
- Canoe Creek Road Improvements
- Cross Prairie Parkway Extension
- Hickory Tree Road
- Jack Brack Road Widening



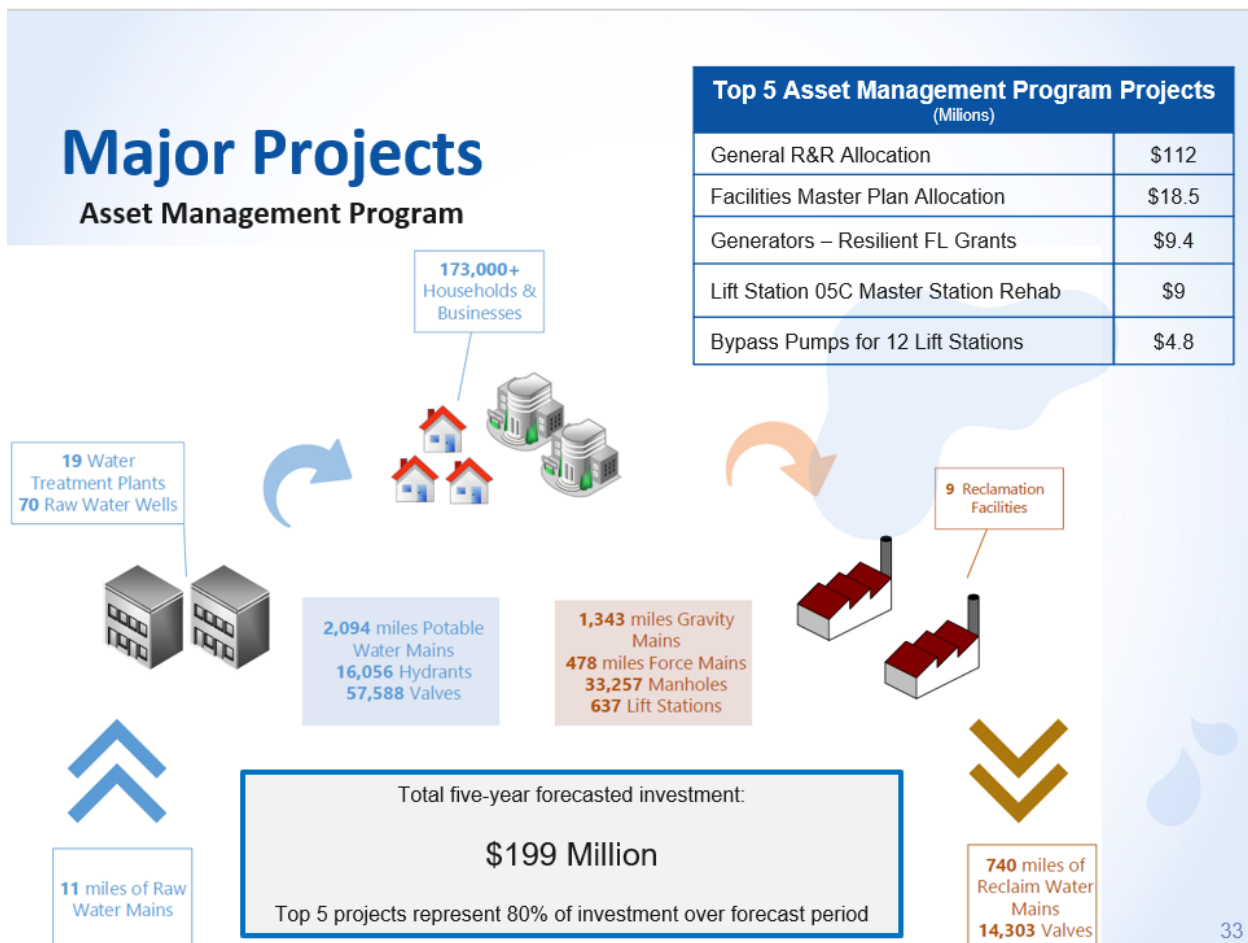
MAJOR ROAD PROJECTS

The total five-year forecasted investment is \$124 Million. The top 10 projects shown below represent 55% of investment over the forecasted period.



MAJOR PROJECTS

The following graph highlights the scope and scale of Toho Water Authority's Asset Management Program, showcasing a strategic investment of \$199 million over a five-year period. This substantial funding commitment reflects the Authority's dedication to maintaining and enhancing critical infrastructure across its service area. At the heart of this program are the top five capital projects, which collectively represent 80% of the total forecasted investment. These include the General Repair and Replacement (R&R) Allocation, which alone accounts for \$112 million, underscoring the priority placed on system reliability and longevity. Other key initiatives include the Facilities Master Plan Allocation (\$18.5 million), aimed at guiding long-term infrastructure development; the installation of resilient generators funded through Florida grants (\$9.4 million); the rehabilitation of the OSC Master Lift Station (\$5.9 million); and the deployment of bypass pumps for 12 lift stations (\$4.8 million), which enhance operational flexibility and emergency response capabilities. Together, these projects form the backbone of Toho's proactive approach to asset management, ensuring that water and wastewater systems remain safe, efficient, and resilient for the 173,000+ households and businesses they serve.



“ONE WATER” INITIATIVE

“One Water” Approach

- Maximize system integration
- Obtain necessary WUP Modifications
- Continue working w/mutually beneficial partners (STOPR Group, ECFS, TCR/SJR Suppliers)
- Implement wholesale agreements with regional partners
- Develop multiple AWS projects
- Obtain grant funding and additional WIFIA loans
-

Challenges Ahead

- Uncertainty in growth projections
- Developing increased supply environmentally & economically
- Addressing new regulations
- Longer development for AWS and other critical projects
- Public perception/acceptance of new sources



CAPITAL OUTLAY

The **FY26 Capital Outlay** plan for Toho Water Authority outlines a significant investment of **\$159 million** over a five-year forecast period. In FY26 alone, planned expenditures include:

- **\$120 million** for capital outlay items such as new and replacement system parts, equipment, and materials.
- **\$27 million** for new and replacement fleet vehicles, based on criteria such as age, mileage, and maintenance costs.
- **\$16 million** for technology and AMI (Advanced Metering Infrastructure), including SCADA systems, replacement meters, MTUs, and various software.

The **top 5 capital projects** account for **68% of the total investment** and include:

1. **New & Replacement Meters and MTUs** – \$56.7 million
2. **Organizational Vehicles (New & Replacements)** – \$27.4 million
3. **Cross Connection Control Backflow Units** – \$14.7 million
4. **Radio Transmission Units (RTUs)** – \$5.3 million
5. **SCADA System Support** – \$3.8 million

These investments reflect Toho Water Authority’s commitment to maintaining and modernizing its infrastructure to ensure service reliability and operational efficiency.

Top 5 Capital Outlay Projects (millions)	
New & Replacement Meters and MTUs	\$56.7
Organizational Vehicles (New & Replacements)	\$27.4
Cross Connection Control Backflow Units	\$14.7
Radio Transmission Units (RTUs)	\$5.3
SCADA System Support	\$3.8

CAPITAL OUTLAY & METER/MTUS

Capital Outlay for New & Replacement Meters and MTUs highlights a significant increase in **planned spending for FY26–30**. The increase is driven by several key factors:

Accelerated failures of equipment in the western service area

Obsolescence of communication towers in the east

A strategic **switch to a cellular-based approach**

Implementation of a **multi-vendor strategy** to improve flexibility and resilience

The bar graph shows a clear upward trend in investment across the overlapping five-year periods:

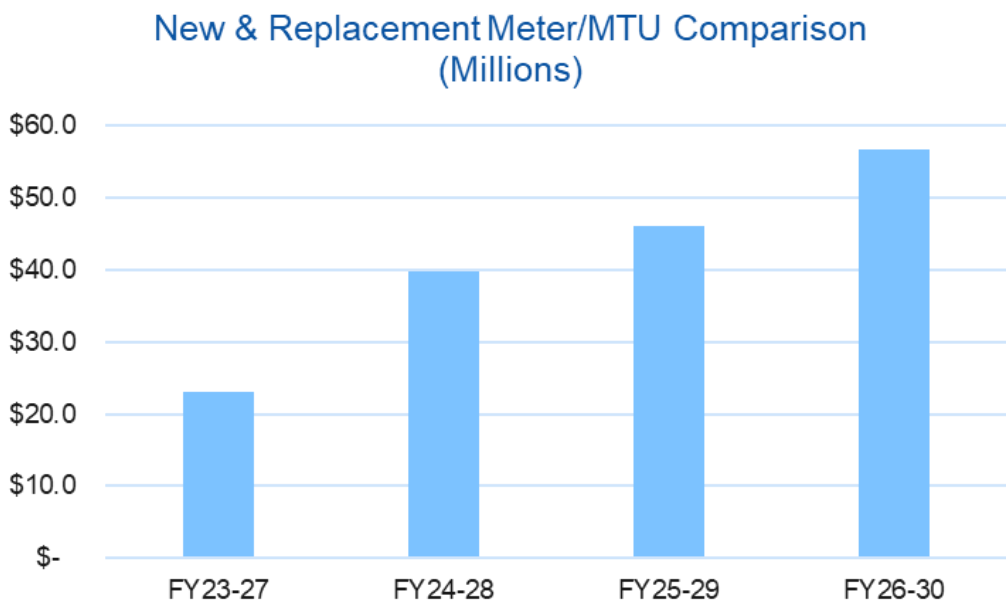
FY23–27: ~\$22 million

FY24–28: ~\$40 million

FY25–29: ~\$45 million

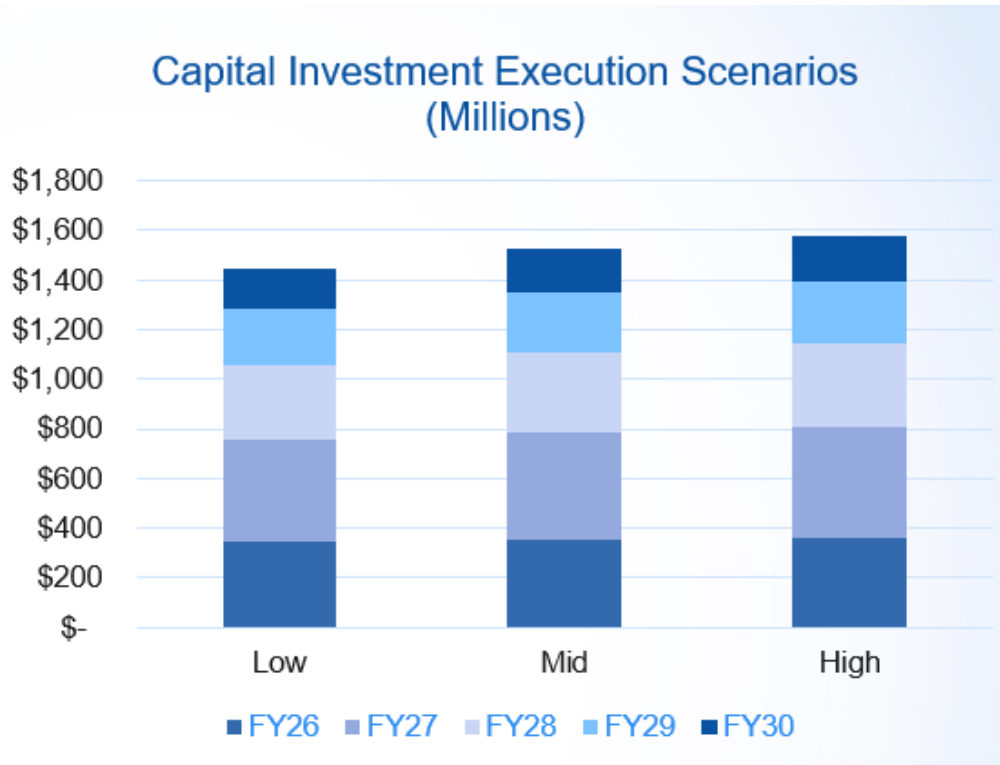
FY26–30: ~\$57 million

This trend reflects Toho Water Authority’s proactive approach to modernizing its metering infrastructure, ensuring system reliability, and transitioning to newer technologies.



TOTAL CAPITAL INVESTMENT PROGRAM FY26-30

The **Total Capital Investment Program for FY26-30** projects a substantial five-year capital expenditure forecast of \$1.523 billion for Toho Water Authority. The graph presents three capital investment execution scenarios—low, mid, and high—showing relatively consistent spending levels across fiscal years FY26 to FY30, with slight increases each year.



The funding sources for this investment are diversified and include:

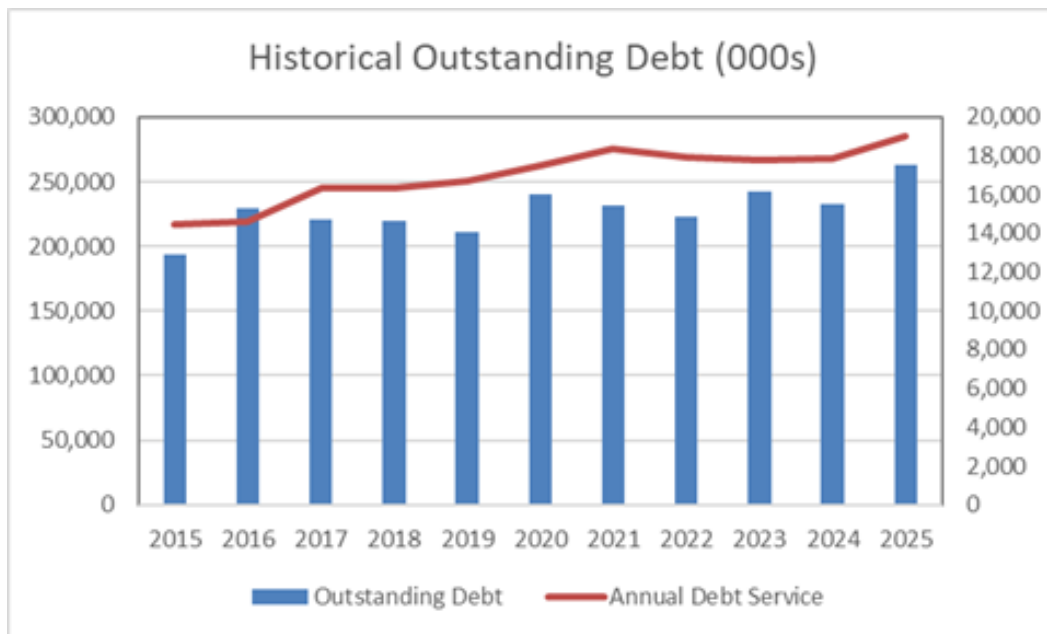
- **Operating funds** (new and replacement) total approximately **\$385 million** over five years.
- **System development** funding, which is the largest source at about **\$611 million**.
- **Grants** contribute roughly **\$36 million**.
- **Future WIFIA/Bond proceeds** providing nearly **\$492 million** to support the capital program.

Annual funding peaks in FY27 with a total of about **\$430 million** and gradually declines to **\$176 million** in FY30. The forecast assumes a capital execution rate starting at 90% in FY26, tapering to 83% by FY30, alongside 7.5% increases in water and sewer rates from FY26 to FY28. This comprehensive investment plan underscores Toho Water Authority's commitment to sustained infrastructure development and modernization over the next five years.

DEBT

Historical Outstanding Debt Overview (2015–2025) The graph illustrates trends in Toho’s outstanding debt and annual debt service over the past decade:

- **Outstanding Debt** (blue bars): Debt levels have remained relatively stable between \$190 million and \$263 million from 2015 through 2025. In 2023, debt increased by \$29 million to retire the City of St. Cloud Environmental Utilities' debt as a condition of integrating utility systems.
- **Annual Debt Service** (red line): Annual debt service started around \$14 million in 2015 and showed a steady upward trend, leveling to about \$19 million by 2025 excluding balloon payments. Debt Service remained fairly steady between 2021 and 2024.
- Overall, while total debt has remained fairly consistent over the decade, the cost of servicing that debt has grown recently due to higher interest rates, refinancing, and changes in repayment schedules.

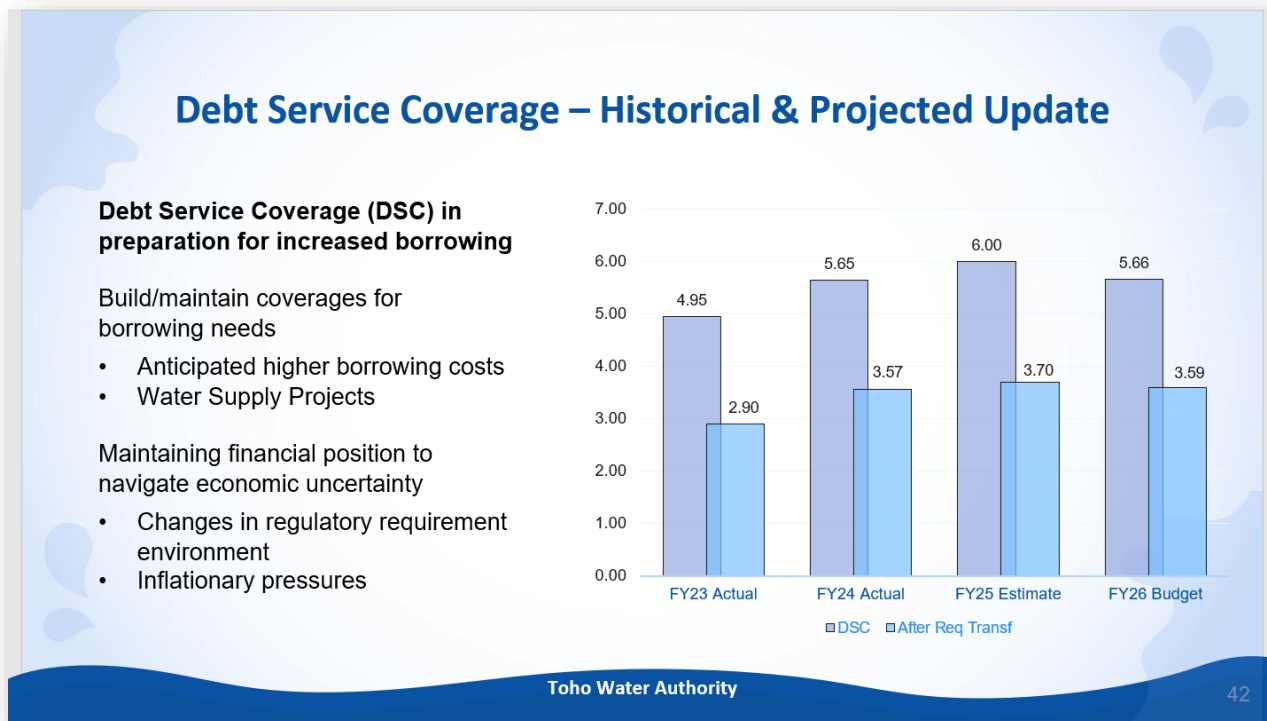


This chart shows **Debt Service Coverage (DSC)** trends — both historical and projected — for the Toho Water Authority, covering fiscal years 2023 through 2026.

- **FY23 Actual:** DSC was **4.95**, dropping to **2.90** after required transfers.
- **FY24 Actual:** Increased to **5.65**, or **3.57** after transfers.
- **FY25 Estimate:** Expected to reach a peak of **6.00**, or **3.70** after transfers.
- **FY26 Budget:** Projected to slightly decrease to **5.66**, or **3.59** after transfers.

The notes highlight preparation for **increased borrowing**, driven by **anticipated higher borrowing costs** and **water supply projects**. The Authority aims to **maintain a strong financial position** to manage **economic uncertainty**, **regulatory changes**, and **inflationary pressures**.

Overall, the chart reflects a solid and improving debt service coverage ratio, indicating strong capacity to meet debt obligations even with projected increases in borrowing.



CURRENT DEBT OBLIGATIONS

Current Outstanding Debt as of September 30, 2024 (in thousands)					
Revenue Bonds & Notes	Amount Issued	Current Outstanding	Interest	Structure	Purpose of Issue
Series 2009 Note	\$16,000	\$6,050	3.63%	Fixed	Admin Building & Construction
Series 2016 Bond	173,605	145,460	2.00-5.00%	Fixed	Refund portion 2011A & 2012 Capital Improvements
Series 2020	38,160	38,160	1.00-5.00%	Fixed	Short-term funding for WIFIA designated projects – Will be refunded in 2025 by WIFIA 1
Series 2021 Note	14,305	14,245	1.08%	Fixed	Refund Bonds (Series 2003 A&B)
Series 2022 Note	28,660	28,660	2.64%	Fixed	St. Cloud Utility Integration
Total		\$232,575			

Series 2016 Revenue Refunding Bonds – Used to refund a portion of the Series 2011A Note and Series 2013 Note and pay costs associated with the issuance of the Series 2017 Bonds. These bonds mature through fiscal year ending September 30, 2047.

Revenue Notes Payable – Toho has revenue notes outstanding at September 30, 2023, as follows:

Series 2009 Note (Direct Borrowing) – Used to fund a portion of the design, construction, and equipping of administrative facilities and other capital expenditures. This note matures on October 1, 2030. In the event of default, if the debt then remaining unpaid hereunder shall become immediately due and payable pursuant to the terms of the resolution, then Toho shall be obligated to pay (but only from the pledged revenues) as part of the indebtedness evidenced by this note, any prepayment fee due as a result of the prepayment hereof upon such acceleration.

Series 2020 Note (Direct Placement) – Used to fund the construction and improvements to the Utility System, including (a) the gravity sanitary sewer system assessment; and (b) the rehabilitation and/or removal and replacement of certain mains and manholes (including the replacement of water mains within lift station basins as determined by Toho to be necessary), and consists of the activities related to the improvements of the Utility System located in the lift station areas described in the WIFIA Loan Agreement dated as of February 12, 2020, between Toho and the United States Environmental Protection Agency. The bond matures October 1, 2026. The terms in the event of a default for the Series 2020 Direct Note pursuant to the master resolution provides for an acceleration of principal, accrued interest, and premium, if any. Registered owners of 25% of aggregate principle have the right to enforce payment of debt service on the bonds and the performance of any other covenant, agreement, obligation or any other instrument providing security, directly or indirectly, for the bonds.

Series 2021 Note (Direct Placement) – Used to refund the Series 2012 Note and pay costs associated with the issuance of the Series 2021 Bonds, resulting in cash flow savings of \$1,845 and a net present value savings of \$1,603. These bonds mature through fiscal year ending September 30, 2028.

Series 2022 Note (Direct Placement) – Used to refund the City of St. Cloud’s utility – related debt in order to execute the interlocal agreement effective October 1, 2022, that transferred the management, operation, and administration of the City of St. Cloud’s water and sewer utility system to Toho.

All debt obligations are secured by a lien upon and pledge of certain pledged revenues on a parity, as provided in the supplemental and master bond resolution.

Future Debt Plans <i>(in thousands)</i>				
Revenue Bonds & Notes	Amount	Interest	Status	Purpose of Issue
WIFIA 2 – Tranche 1 Series 2024	\$188,290	4.48%	Approved	WIFIA 2 designated projects (Tranche 1)
2025 Line or Liquidity Facility	80,000	3.00-5.00%	Approved	Reimbursement of capital expenditures for Road Utility & Alternative Water Supply Projects
WIFIA 2 – Tranche 2	104,465	TBD	In Process	WIFIA 2 designated projects (Tranche 2)
Revenue Bonds	160,245	TBD	Preliminary	Reimbursement of capital expenditures for Road Utility & Alternative Water Supply Projects
Total	\$533,000			

BOND RATINGS

The Toho Water Authority (Toho) is the largest provider of water, wastewater, and reclaimed water services in Osceola County. Toho in Florida has a AAA utility revenue bond rating, WIFIA loan rating, and IDR. As of May 16, 2025, Fitch Ratings in New York (Fitch Ratings, 2025) has assigned a 'AAA' rating to the following obligations issued by the Tohopekaliga Water Authority, Florida:

- Approximately \$292.8 million Water Infrastructure Finance Innovation Act (WIFIA) loan.

Proceeds will be used to fund up to 49% of Toho's \$597.5 million Toho One Water Initiative Project, a portfolio of Alternative Water Supply (AWS) source projects.

Fitch Ratings has also affirmed the following authority obligations at 'AAA':

- Approximately \$153.9 million in outstanding utility system revenue and refunding bonds, series 2016;
- Approximately \$40.1 million WIFIA loan.

Fitch has additionally affirmed the Toho Issuer Default Rating (IDR) at 'AAA'¹.

The Rating Outlook is Stable.

The 'AAA' utility revenue bond rating, WIFIA loan rating and IDR all reflect Toho's 'Exceptionally Strong' financial profile within the framework of 'Very Strong' revenue defensibility and 'Very Strong' operating risk profile, both assessed at 'aa'. Toho's leverage, measured as net adjusted debt to adjusted funds available for debt service (FADS), was extremely low at 1.14x in fiscal 2023, but is projected to peak at 4.5x in fiscal 2027 in Fitch's Analytical Stress Test (FAST) rating case, following planned capital spending and the issuance of related debt. The higher ratios should continue to support the current rating, but leave only limited flexibility within the rating category.

SECURITY

The WIFIA loan is payable from a subordinate lien pledge of the net revenues and system development charges of Toho's water and sewer utility system revenue bonds. The bonds are payable from a senior-lien pledge of the net revenues of Toho's water and sewer system (the system) and system development charges.

The lack of notching between the first lien and second lien reflects Fitch's view that the risk profile for the second-lien debtholders is largely the same as for first-line bondholders. While second lien debt is increasing the first lien remains open for additional revenue bond borrowing.

KEY RATING DRIVERS

Revenue Defensibility - 'aa'

Very Favorable Service Area, Affordable Rates for the Vast Majority of the Population. Toho retains the legal authority to adjust rates as needed without external oversight. Fitch considers the monthly residential water and sewer bill affordable for around 87% of the service area population based on standard monthly usage of 7,500 gallons for water and 6,000 gallons for sewer. The very favorable service area is characterized by average income levels, a moderate unemployment rate relative to the nation and strong customer growth. Customer growth registered a five-

¹ Fitch Ratings May 16, 2024 – Rating Action Commentary: "Fitch Rates Tohopekaliga Water Authority's (FL) WIFIA Loan at 'AAA'; Outlook Stable"

year compound annual growth rate of 9.1% as of fiscal 2023. Income levels are about 14% below the national median as of 2022. The unemployment rate has decreased to 3% since 2020 and was 6% less than the national average in 2023.

Operating Risk - 'aa'

Very Low Operating Cost Burden, Moderate Investment Needs. In fiscal 2023, the system's operating cost burden was considered very low at \$5,048 per million gallons (mg), consistent with the operating risk assessment. The life cycle ratio was very low at 29% in fiscal 2023, due in part to robust capex to depreciation averaging 230% over the last five fiscal years from 2019 to 2023. Planned capital spending for the next five years should generally outpace historical depreciation, supporting a continued very low life cycle ratio.

The system's fiscal 2025-2028, \$1.1 billion capital improvement plan (CIP) includes the on-going integration with the St. Cloud water and sewer system, and is wide-ranging, covering five component areas. These include plant reinvestment and expansion projects, asset management projects largely concentrated on inflow and infiltration, and the WIFIA-funded accelerated gravity sewer rehabilitation program.

Water supply is adequate, but the AWS projects remain a large component as work progresses under the Toho One initiative. Treatment capacity is also adequate and will be enhanced by current expansions underway. Also included is spending for many new city and county road-widening projects. Overall, the projects are flexible and growth projects could be delayed if necessary. The CIP will be about 40% funded with new debt including the WIFIA loan and senior lien revenue bonds. The remaining 60% will be funded by system development charges, reserves, and PAYGO.

Financial Profile - 'aaa'

Leverage to Increase. Toho had exceptionally low leverage of 1.14x as of fiscal 2023, given its manageable debt, robust cash balances and strong and stable FADS. The liquidity profile is neutral to the overall assessment with current days cash on hand of 320 and coverage of full obligations (COFO) of 6.6x. Fitch-calculated total debt service coverage was 6.6x in fiscal 2023.

The FAST considers the potential trend of key ratios in a base case and stress scenario over a five-year period. The stress scenario is designed to impose capital costs 10% above expected base case levels and evaluate potential variability in projected key ratios. The FAST reflects Fitch's view of a reasonable scenario, which is generally informed by publicly available and/or management provided information with respect to capital expenditures, user charges and rate of revenue and expenditure growth.

In the base case scenario, the leverage ratio is expected to increase to 3.8x in fiscal 2027 as capital spending and related borrowing accelerate, and then decline to 3.0x through fiscal 2028 as planned rate increases generate improved FADS. In the stress scenario, which is considered the rating case, the leverage ratio is projected to increase to 4.5x in fiscal 2027, then decrease to 3.6x through fiscal 2028. The liquidity profile is expected to remain neutral to the assessment over the five-year horizon.

Asymmetric Additional Risk Considerations

No asymmetric additive risk considerations affected this rating determination.

BOND PROFILE

Tohopekaliga Water Authority, located in central Florida, is an independent special district that was created in 2003 to provide a regional approach to the development, planning and delivery of potable water, wastewater and reclaimed water services. The service area population is approximately 423,000 with a mostly residential and growing

customer base. In fiscal 2023, Toho served approximately 157,400 retail water and 146,500 retail sewer customers through four regional subsystems, each representing the four separate utility acquisitions and the 2022 St. Cloud utility integration made since its inception. Toho also serves about 34,000 reclaimed water and 24,000 irrigation customers.

As part of the Orlando Metro Area in Osceola County, Toho's large service area (1,500 square miles) includes the incorporated cities of Kissimmee and St. Cloud (integrated in 2022), and smaller portions of Orange and Polk counties. Toho water facilities include 14 water treatment plants which rely on groundwater derived from the upper Floridan aquifer with a combined capacity of 72.7 million gallons per day (mgd). Wastewater facilities include nine water reclamation plants, sewage collection facilities and wastewater effluent disposal facilities with combined capacity of 51.7 mgd. Presently, expansion is underway at five plants. Reclaimed water is provided to irrigation customers and used for groundwater recharge.

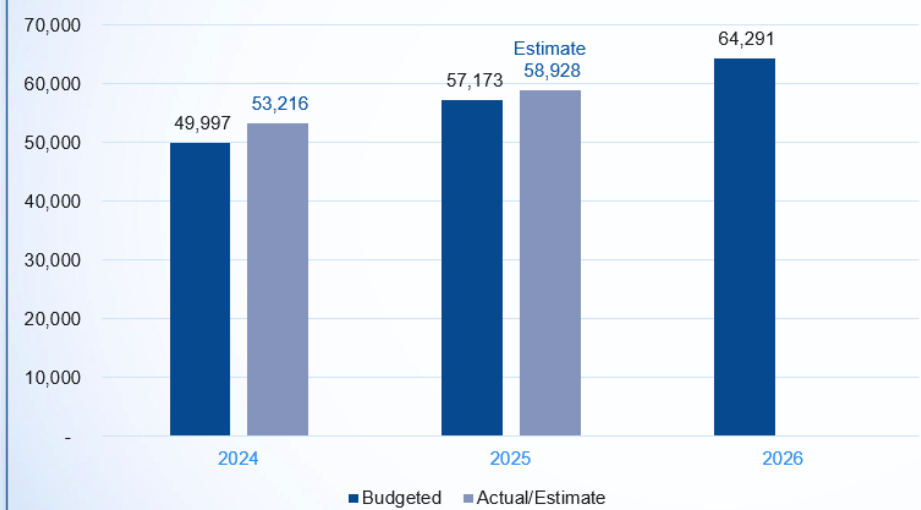
Toho Response to Updated EPA Regulations

The authority is addressing new regulations set forth by the U.S. Environmental Protection Agency (EPA). The EPA's enhanced focus on lead and copper lines and per- and polyfluoroalkyl substance (PFAS) contaminants has led to the introduction of the Lead and Copper Rule Revisions (LCRR) and the proposed Lead and Copper Rule Improvements, along with specific testing for PFAS chemicals. Toho is cataloguing service lines with 90% of the data assessment and targeted field investigation completed to date and no lead service lines detected. Toho anticipates meeting the LCRR 2025 compliance deadline. It is also conducting routine testing of its water systems, which has thus far shown the authority's drinking water to have nondetectable levels of regulated PFAS.

PERSONNEL OPERATING EXPENSE COMPARISON TO BUDGET

Personnel Operating Expense Comparison to Budget

Total Personnel Budget to Actual Comparison



Prior year actuals/estimate drivers:

FY2024

- Other pay higher
- Undercapitalized labor costs

FY2025

- Pension costs higher
- Overtime: early year hurricane; increased main break activity;

POSITION SUMMARY SCHEDULE

Total Positions FY2025 – FY2026

Departments	2025	2026	Total
Operations	307.0	23.0	330.0
Assets & Infrastructure	64.0	8.0	72.0
Stakeholder, Technical, & IT Services	210.5	9.0	219.5
Financial Services	22.5	1.0	23.5
Administration	2.0	1.0	3.0
People Services	21.5	4.0	25.5
Interns	11.0	0.0	11.0
Office of General Counsel	6.0	1.0	7.0
Total	644.5	47.0	691.5

*This financial table is presented in thousands.

FY24 had a total of 602 positions, with most of the increases in FY25 in Operations and Stakeholder, Technical & IT Services. The reason for these increases was like the reasons in FY26, mostly related to customer growth and increased customer service needs. This cannot readily be depicted in the table above due to extensive reorganization of Toho in FY 25 and FY26 especially in People Services, Operations and Stakeholder, Technical & IT Services.

FY26 Personnel Request Assumptions

Capitalization

- Partial to full capitalization of capital focused labor in-house construction crews, engineers, and inspectors

Pay Adjustment Provisions

- Across-the-board (2%) / Merit (2%)
- Other Allowances (Equity, Skill-based progressions) 1.0%
- Total 16 Reclassifications requested ~ estimated \$250k impact

Other Assumptions

- Early recruitment of 7 new positions – potential immediate start:
Director of PMO/Construction, CIP Coordinator, Deputy General Counsel, Treatment Operator I (2), Sr. Program Manager
- Miscellaneous adjustments based on timing and capitalization (Skill-based, partial year impacts, vacancy allowance)

PROPOSED FY26 STAFFING POSITIONS

Department	Position Title	Timing	FTE
Administration	Sr. Program Manager	Immediate	1.0
Assets & Infrastructure	Senior Program Manager	Immediate	1.0
	Director of Construction / PMO	Immediate	1.0
	CIP Coordinator	Immediate	1.0
	Development Specialist I	Immediate	1.0
	Construction Inspector II	Immediate	2.0
	Development Specialist I	Early year	1.0
	Construction Inspector II	Early year	1.0
Financial Services	Accounting Manager	Early year	1.0
General Counsel	Deputy General Counsel	Immediate	1.0
Information Technology	Principal of Cyber Security & Infrastructure	Early year	1.0
	Database Administrator	Mid Year	1.0
	Supervisor - Development	Early year	1.0
Operations	System Mechanic Apprentice	Immediate	1.0
	Plant Mechanic II	Immediate	1.0
	System Mechanic II	Immediate	1.0
	Network Engineer I	Early year	1.0
	Electrician I	Early year	2.0
	Plant Mechanic I & II	Mid Year	2.0
	Heavy Equipment Operator I & II	Late Year	2.0*
	Plant Mechanic I	Review/Late	1.0
	SCADA Technician I	Review/Late	1.0
	Operations Business Partner I	Immediate	1.0
	Utility Technician II	Immediate	4.0
	Warehouse / Inventory Coordinator II	Mid Year	1.0
	Plant Mechanic Apprentice	Review/Late	1.0
	Water Quality Specialist I	Immediate	2.0
	Treatment Operator I	Immediate	2.0
People Services	Human Resources Supervisor	Immediate	1.0
	Public Relations Supervisor	Early year	1.0*
	Human Resource Specialist II	Review/Late	1.0
	Safety Business Partner II	Review/Late	1.0
Stakeholder Svcs	Customer Experience Representative II	Immediate	2.0*
	Service Technician III	Mid Year	2.0*
Technical Svcs	Data Management Technician I	Immediate	1.0*
	Real Estate Analyst - GIS Specialist	Early year	1.0

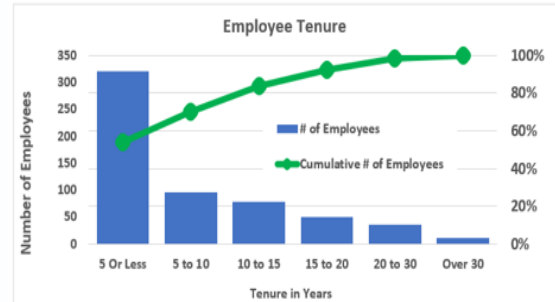
Anticipated timing to fill:

- Immediate – **23**
 - Early Year (Jan) – **10**
 - Mid Year (Mar) – **6**
 - Late Year (July) – **8**
- Total FY26 request of **47.0**

Staffing Benchmark / Observations

Toho Staffing Observations

- High growth environment
- Many staff new to organization
 - 58% less than 5-years
 - 70% less than 10-years
- Institutional knowledge is limited
- Must place emphasis on familiarization, processes, tools, and training



Benchmark Value	OCU	Toho	%
Revenue - Services	\$261,060,847	\$225,185,000	86%
5-Year Capital Program (FY25-29)	\$1,138,867,772	\$1,282,824,000	113%
# Water Customers	165,272	168,845	102%
Water Produced, billion gallons	27.0	19.4	72%
#Wastewater Customers	182,695	159,541	87%
Wastewater Treated, billion gallons	60	36	59%
Mile of Pipe	4,891	4,649	95%
Customer Calls	230,000	289,399	126%
Personal # (See Note)	884	641	73%
- Support Functions *	83	93	112%
- Engineering Functions	84	54	64%
- Customer Service	158	133	84%
- Operating Functions	559	361	65%
Personal \$ (See Note)	\$87,364,997	\$57,173,000	65%

Benchmarking Observations

- Orange County Utilities (OCU) is one of Toho's most similar benchmarks
- Compared to OCU
 - Functional comparisons vary (80 to 90% approximate scale)
 - Operational Staffing (65 to 70%)

Notes:

* Risk, Safety, IT, Finance, HR provided by Orange County Government, Central Orange County staffing not included in OCU staffing counts
Data primarily from FY25 Budget Documents
#/\$ Personnel Adjusted to remove OCU Solid Waste
Majority of the Difference is in operations staffing levels

Toho Water Authority

40

Staffing Benchmark and Organizational Observations – Toho Water Authority

Toho's operates in a high-growth environment with a workforce characterized by relatively short tenure—58% of employees have been with the organization for less than five years, and 70% for less than ten. This limited institutional knowledge presents challenges for operational consistency, training, and process familiarity.

Benchmarking against Orange County Utilities (OCU), a comparable regional utility, reveals that Toho maintains approximately 65–70% of OCU's operational staffing levels despite serving a proportionally smaller population and customer base. Key metrics such as water and wastewater production, customer accounts, and total staffing levels reflect this scaled difference. The comparison highlights areas for strategic staffing alignment and underscores the importance of knowledge retention and workforce development in sustaining service quality.

Administration

The Administration Department is comprised of the Executive Director and the Executive Assistant. The Executive Director reports to the Board of Supervisors which is a seven-member governing group responsible for approving all of Toho's operating policies and its budget. The Administration Office is responsible for approving company - wide requisitions, new hires, terminations, retirements, and more. Additionally, the department prepares the Agendas, Minutes, Resolutions, and Policies for the TWA Board of Supervisors' regular meetings.

Tohopekaliga Water Authority Operating Fund Budget Summary	Budget & Estimate			
	FY26 Budget	FY25 Estimate	\$ Chg	% Chg
OPERATING EXPENSES				
<i>Contracted Services</i>	60,000	136,751	(76,751)	-90%
<i>Training</i>	31,542	28,668	2,874	9%
<i>Utilities</i>	-	946	(946)	-
<i>Other Maintenance*</i>	502,000	15,579	486,421	-
<i>Petroleum Supplies**</i>		2,998	(2,998)	-
<i>Other Supplies</i>	12,350	10,511	1,839	15%
<i>Chemical Supplies</i>	-	-	-	-
<i>Other Operating Costs</i>	307,246	254,651	52,595	19%
TOTAL OPERATING EXPENSES	913,138	450,104	463,034	112%

*Other Maintenance includes additional \$500k in FY26 for emergency repairs and maintenance to infrastructure.

**Fleet Management was centralized midyear; budget allocated to Safety & Risk. FY25 estimate based on actuals.

Assets & Infrastructure

Assets & Infrastructure department manages all physical components of their water and wastewater utility system, including water mains, sewer lines, pump stations, treatment plants, and other related infrastructure, ensuring their proper maintenance, upkeep, and future development to deliver reliable water services to customers; this includes managing the condition of these assets through assessments and planning for necessary repairs or upgrades. Assets & Infrastructure oversees many of the major projects that impact our service areas. This includes Program Management, Construction Services, Planning, Development, and Engineering.

Tohopekaliga Water Authority Operating Fund Budget Summary	Budget & Estimate			
	FY26 Budget	FY25 Estimate	\$ Chng	% Chng
OPERATING EXPENSES				
<i>Contracted Services</i>	3,869,220	2,955,761	913,459	24%
<i>Training</i>	129,884	48,677	81,207	63%
<i>Utilities</i>	11,880	9,266	2,614	22%
<i>Other Maintenance*</i>	4,200	42,078	(37,878)	-902%
<i>Petroleum Supplies**</i>	-	60,362	(60,362)	-
<i>Other Supplies</i>	41,808	30,808	11,000	26%
<i>Chemical Supplies</i>	-	-	-	-
<i>Other Operating Costs</i>	186,313	172,926	13,387	7%
TOTAL OPERATING EXPENSES	4,243,305	3,319,878	923,427	22%

*FY25 Other Maintenance Estimate based on actuals that were misallocated and subsequently reclassified to the correct department.

**Fleet Management was centralized midyear; budget allocated to Safety & Risk. FY25 estimate based on actuals.

Financial Services

Toho's Financial Services Division oversees financial operations, ensuring accountability and control over the use of Authority funds. Financial Services consists of multiple sections (Accounting and Finance). The Accounting Office manages accounts payable, accounts receivable (utility billing), fixed assets, capital projects management, and financial reporting (ACFR) and analysis. The Finance Office manages the budget (Five Year Capital Improvement Plan and Annual Operating), grants, system development charges (impact fees imposed on development to contribute to the costs of extending and expanding the utility system), Infrastructure Reimbursement (CIAC) to reimburse builders for qualifying construction to lots without water or sewer service, the Toho Assistance Program (TAP) which partners with Osceola Council on Aging (COA) to ease financial hardship for customers, as well as other financial reporting and analysis.

Tohopekaliga Water Authority Operating Fund Budget Summary	Budget & Estimate			
	FY26 Budget	FY25 Estimate	\$ Chng	% Chng
OPERATING EXPENSES				
<i>Contracted Services</i>	1,777,140	1,620,709	156,431	9%
<i>Training</i>	11,900	12,191	(291)	-2%
<i>Utilities</i>	-	-	-	-
<i>Other Maintenance</i>	-	-	-	-
<i>Petroleum Supplies</i>	-	-	-	-
<i>Other Supplies</i>	5,400	6,487	(1,087)	-20%
<i>Chemical Supplies</i>	-	-	-	-
<i>Other Operating Costs</i>	24,280	24,302	(22)	0%
TOTAL OPERATING EXPENSES	1,818,720	1,663,689	155,031	9%

Human Resources

Human Resource Management is the strategic and coherent approach to the effective and efficient management of people in a company or organization such that they help their business gain a competitive advantage. Toho's HR Department has the responsibility of driving key human resources and risk management practices to the organization and its employees. Toho's HR Department is designed to maximize employee performance in service of an employer's strategic objectives, by specifically offering planning, implementation and management of all HR services.

Tohopekaliga Water Authority Operating Fund Budget Summary	Budget & Estimate			
	FY26 Budget	FY25 Estimate	\$ Chng	% Chng
OPERATING EXPENSES				
<i>Contracted Services</i>	354,000	248,504	105,496	30%
<i>Training</i>	280,507	54,384	226,123	81%
<i>Utilities</i>	-	-	-	-
<i>Other Maintenance*</i>	1,200	6,188	(4,988)	-416%
<i>Petroleum Supplies**</i>	-	2,487	(2,487)	-
<i>Other Supplies</i>	15,200	10,357	4,843	32%
<i>Chemical Supplies</i>	-	-	-	-
<i>Other Operating Costs</i>	184,780	173,302	11,478	6%
TOTAL OPERATING EXPENSES	835,687	495,222	340,465	41%

*FY25 Other Maintenance Estimate based on actuals that were misallocated and subsequently reclassified to the correct department.

**Fleet Management was centralized midyear; budget allocated to Safety & Risk. FY25 estimate based on actuals.

Communications and Engagement

The primary role of the Communications Office is to assist in communicating information effectively to our internal and external customers. They collaborate with all the departments to implement and achieve their communication goals. The Communications Office manages Toho's public relations, communications, branding, marketing, community outreach and education functions. Responsibilities include developing programs to maintain favorable public perceptions of the organization and connecting with stakeholders, including customers, employees, business partners, and the media. This office reviews sponsorships and bottled water requests and represents the organization at public events throughout the year. Any media inquiries are handled by this office as well. The Public Information Office (PIO) is also part of the Administration Department.

Tohopekaliga Water Authority Operating Fund Budget Summary	Budget & Estimate			
	FY26 Budget	FY25 Estimate	\$ Chng	% Chng
OPERATING EXPENSES				
<i>Contracted Services</i>	25,000	34,326	(9,326)	-37%
<i>Training</i>	13,750	10,097	3,653	27%
<i>Utilities</i>	-	-	-	-
<i>Other Maintenance*</i>	-	1,299	(1,299)	-
<i>Petroleum Supplies**</i>	-	1,070	(1,070)	-
<i>Other Supplies</i>	2,200	3,517	(1,317)	-60%
<i>Chemical Supplies</i>	-	-	-	-
<i>Other Operating Costs</i>	398,975	353,962	45,013	11%
TOTAL OPERATING EXPENSES	439,925	404,271	35,654	8%

*FY25 Other Maintenance Estimate based on actuals that were misallocated and subsequently reclassified to the correct department.

**Fleet Management was centralized midyear; budget allocated to Safety & Risk. FY25 estimate based on actuals.

Safety & Risk

Safety and Risk ensures that all employees have a safe environment to work in. Toho's Safety and Risk Department manages the overall safety of the water system, including monitoring water quality, identifying potential hazards, implementing safety protocols, ensuring compliance with regulations, managing risks related to infrastructure, operations, and potential emergencies, and educating employees on safety procedures to protect the public water supply. Procedures are in place to ensure that we support our employees and continue to serve our customers.

Tohopekaliga Water Authority Operating Fund Budget Summary	Budget & Estimate			
	FY26 Budget	FY25 Estimate	\$ Chng	% Chng
OPERATING EXPENSES				
<i>Contracted Services</i>	100,000	61,180	38,820	39%
<i>Training</i>	2,816	8,989	(6,173)	-219%
<i>Utilities</i>	-	-	-	-
<i>Auto Maintenance*</i>	2,354,787	94,683	2,260,104	96%
<i>Other Maintenance</i>	180,000	157,512	22,488	12%
<i>Petroleum Supplies*</i>	1,435,328	110,165	1,325,163	92%
<i>Other Supplies</i>	6,300	5,775	525	8%
<i>Chemical Supplies</i>	-	-	-	-
<i>Other Operating Costs</i>	153,635	79,282	74,353	48%
TOTAL OPERATING EXPENSES	4,232,866	517,586	3,715,280	88%

*Fleet Management was centralized midyear; budget allocated to Safety & Risk. FY25 estimate based on actuals.

Customer Service

Customer Service is comprised of Contract Center, Business, Service Centers, and Water Conservations. The Contact Center serves as the primary point of contact for customers seeking assistance and support. The team handles inquiries, resolves issues, and provides timely information to ensure a positive experience. The Business Center team is responsible for managing the financial transactions between Toho and its customers. This includes generating accurate customer bills, processing payments, and collecting delinquent accounts. The Service Center consists of the Dispatch team and our Customer Service Technicians. Dispatch ensures the work is completed in a timely manner by assigning tickets and tracking completion. Water Conservation manages initiatives to help customers reduce their water usage, including providing education on indoor and outdoor water conservation practices, identifying and fixing leaks, and promoting water-efficient appliances and landscaping practices to minimize water consumption within our service area.

Tohopekaliga Water Authority Operating Fund Budget Summary	Budget & Estimate			
	FY26 Budget	FY25 Estimate	\$ Chng	% Chng
OPERATING EXPENSES				
<i>Contracted Services</i>	887,685	1,124,069	(236,384)	-23%
<i>Training</i>	63,940	24,352	39,588	41%
<i>Utilities</i>	8,615	8,850	(235)	-3%
<i>Other Maintenance</i>	316,900	174,042	142,858	45%
<i>Petroleum Supplies*</i>	-	129,943	(129,943)	-
<i>Other Supplies</i>	110,400	113,838	(3,438)	-1%
<i>Chemical Supplies</i>	-	-	-	-
<i>Other Operating Costs</i>	1,123,138	1,047,037	76,101	7%
TOTAL OPERATING EXPENSES	2,510,678	2,622,131	(111,453)	-4%

*Fleet Management was centralized midyear; budget allocated to Safety & Risk. FY25 estimate based on actuals.

Information Technology

I.T. will provide its users and customers with reliable access to information needed for excellent service, tracking assets and performance, and promoting informed decisions made by utilizing the most effect internal and external technology. Toho's IT Department manages all the technology systems used to operate the water treatment plants, distribution networks, customer billing systems, internal administrative systems, and the public-facing website, as well as the company-facing intranet. The IT Department oversees all digital aspects of water management and customer interaction within the Toho service area.

Tohopekaliga Water Authority Operating Fund Budget Summary	Budget & Estimate			
	FY26 Budget	FY25 Estimate	\$ Chng	% Chng
OPERATING EXPENSES				
<i>Contracted Services</i>	1,510,595	2,272,488	(761,893)	-50%
<i>Training</i>	57,820	27,840	29,980	52%
<i>Utilities</i>	-	-	-	-
<i>Other Maintenance</i>	150,000	101,633	48,367	32%
<i>Petroleum Supplies*</i>	493	733	(240)	-49%
<i>Other Supplies</i>	3,021,131	2,557,524	463,607	15%
<i>Chemical Supplies</i>	-	-	-	-
<i>Other Operating Costs</i>	528,600	570,284	(41,684)	-8%
TOTAL OPERATING EXPENSES	5,268,639	5,530,502	(261,863)	-5%

*Fleet Management was centralized midyear; budget allocated to Safety & Risk. FY25 estimate based on actuals.

Business & Environmental

Business & Environmental is organized into four sub-departments: Geographic Information System (GIS), Procurement, Labs, and Environmental Compliance. Geographic Information System (GIS) department manages utility assets and infrastructure using computer-based technology such as GIS web map applications, and utility viewer. This work aids program management and reporting. Procurement ensures that goods and services are acquired in a timely and cost-effective manner by orchestrating the contract and purchase order processes and keeping multiple warehouses of frequently utilized products purchased in bulk rates. The Laboratory monitors water quality and treatment processes to meet environmental standards. Environmental Compliance attempts to balance the need for profitability with adherence to environmental regulations, as well as implementing environmental sustainability initiatives, and conducts environmental audits and inspections.

Tohopekaliga Water Authority Operating Fund Budget Summary	Budget & Estimate			
	FY26 Budget	FY25 Estimate	\$ Chng	% Chng
OPERATING EXPENSES				
<i>Contracted Services</i>	1,450,763	1,321,691	129,072	10%
<i>Training</i>	42,350	38,992	3,358	6%
<i>Utilities</i>	7,905	7,148	757	14%
<i>Other Maintenance</i>	1,333,137	1,127,208	205,929	18%
<i>Petroleum Supplies*</i>	-	20,628	(20,628)	-104%
<i>Other Supplies</i>	159,050	195,155	(36,105)	-17%
<i>Chemical Supplies</i>	128,000	99,488	28,512	32%
<i>Other Operating Costs</i>	145,475	118,447	27,028	10%
TOTAL OPERATING EXPENSES	3,266,680	2,928,757	337,923	11%

*Fleet Management was centralized midyear; budget allocated to Safety & Risk. FY25 estimate based on actuals.

Organizational Development

The goal of Organizational Development is to increase organizational effectiveness and health at a company-wide level, by focusing on the people side of our business. The purpose of this functional area is to serve as an incubator for workforce related programs. The objective is to develop our workforce to help achieve individual and business goals. The OD programs are aligned to Toho's Strategic Plan priorities and are developed in collaboration with Toho's Leadership Team and key stakeholders to support employees and business needs. Rebeca Martinez is Toho's Organizational Development Manager. Rebeca's experience in organizational development and human resources began in 2003 and she has been with Toho since 2013. Her passion for the people side of our business is demonstrated in her commitment to Toho's promise that our Customers, Community, and Employees Trust that Toho Cares.

Tohopekaliga Water Authority Operating Fund Budget Summary	Budget & Estimate			
	FY26 Budget	FY25 Estimate	\$ Chng	% Chng
OPERATING EXPENSES				
<i>Contracted Services</i>	225,000	231,759	(6,759)	-3%
<i>Training</i>	57,500	23,394	34,106	59%
<i>Utilities</i>	-	-	-	-
<i>Other Maintenance</i>	-	-	-	-
<i>Petroleum Supplies*</i>	-	94	(94)	-
<i>Other Supplies</i>	9,000	6,657	2,343	26%
<i>Chemical Supplies</i>	-	-	-	-
<i>Other Operating Costs</i>	34,400	123,912	(89,512)	-260%
TOTAL OPERATING EXPENSES	325,900	385,816	(59,916)	-18%

*Fleet Management was centralized midyear; budget allocated to Safety & Risk. FY25 estimate based on actuals.

Office of General Counsel

Toho's Office of General Counsel (OGC) department manages all legal matters related to Toho, including providing legal advice to staff, representing Toho in legal disputes and lawsuits, reviewing contracts and permits, ensuring compliance with regulations related to water management, and drafting necessary legal documents to support the organization's operations. The OGC also assists in drafting policies and procedures related to legal matters.

Tohopekaliga Water Authority Operating Fund Budget Summary	Budget & Estimate			
	FY26 Budget	FY25 Estimate	\$ Chng	% Chng
OPERATING EXPENSES				
<i>Contracted Services</i>	819,500	611,390	208,110	25%
<i>Training</i>	10,150	8,148	2,002	20%
<i>Utilities</i>	-	-	-	-
<i>Other Maintenance</i>	-	-	-	-
<i>Petroleum Supplies</i>	-	-	-	-
<i>Other Supplies</i>	-	79	(79)	-
<i>Chemical Supplies</i>	-	-	-	-
<i>Other Operating Costs</i>	17,152	11,310	5,842	34%
TOTAL OPERATING EXPENSES	846,802	630,927	215,875	25%

Operations

The Operations Department is committed to serving our customers, maintaining our assets, protecting the environment, and working together to deliver on Toho's Promise. Our department is comprised of the following departments: water treatment facilities, wastewater treatment facilities, water reclamation facilities, sewage collection facilities and wastewater effluent disposal facilities, as well as system maintenance, SCADA, transmission & distribution, collections, support services, and facility maintenance. The Supervisory Control and Data Acquisition (SCADA) department at Toho manages the computer-based system (equipment, components, and assets) that monitors and controls water, wastewater, lift-stations, and reuse-distribution facilities. The SCADA department maintains, analyzes, and improves the network system performance and troubleshoots network communication problems and set up Ethernet networks, computers, and other equipment. Transmission and Distribution consist of field workers who work to ensure potable water is transported to meet customer demands.

Tohopekaliga Water Authority Operating Fund Budget Summary	Budget & Estimate			
	FY26 Budget	FY25 Estimate	\$ Chng	% Chng
OPERATING EXPENSES				
<i>Contracted Services</i>	4,756,304	4,321,689	434,615	9%
<i>Training</i>	175,614	262,463	(86,849)	-49%
<i>Utilities</i>	12,128,584	11,246,933	881,651	7%
<i>Other Maintenance</i>	12,523,898	11,914,190	609,708	5%
<i>Petroleum Supplies*</i>	-	1,044,357	(1,044,357)	-
<i>Other Supplies</i>	1,669,695	1,742,275	(72,580)	-4%
<i>Chemical Supplies</i>	8,495,959	7,438,775	1,057,184	12%
<i>Other Operating Costs</i>	2,126,833	2,036,203	90,630	4%
TOTAL OPERATING EXPENSES	41,876,887	40,006,885	1,870,002	4%

*Fleet Management was centralized midyear; budget allocated to Safety & Risk. FY25 estimate based on actuals.

DEPARTMENTAL/PROGRAM GOALS AND OBJECTIVES

Toho Water Authority Strategic Plan October 1, 2024 – September 30, 2026

GOAL #1 - ON-TIME AND VALUE DRIVEN INFRASTRUCTURE Plan, deploy, and manage infrastructure in a manner that meets targeted service levels and provides long-term value for customers, community, and the environment.	
1.A) Improve infrastructure project planning, execution, and transfer to operations.	1.A.1) Implement an automated process that provides visibility to key stakeholders about service levels, and demands (current and projected) by service type, <u>at least</u> on a quarterly basis.
	1.A.2) Formalize and stand-up Project Management Office(s) to streamline project management processes, strengthen cross-functional partnerships and collaboration, improve visibility of performance outcomes, and project execution in order to deliver projects that meet needs and are delivered on time and within budget.
	1.A.3) Develop and deliver programmatic approaches to the infrastructure Renewal and Replacement projects in order to balance cost and risk.
1.B) Optimize system-wide water use to defer infrastructure investment needs.	1.B.1) Develop and deliver water conservation programs that sustain behavioral changes through implementation of programs focused on: Education and Outreach; Enforcement of Standards; and Water Audit Process.
GOAL #2 - PROCESS DEVELOPMENT AND OPTIMIZATION Enhance collaboration, efficiency, productivity, and organizational effectiveness for the benefit of our customers, community and employees.	
2.A) Establish and sustain a continuous improvement culture.	2.A.1) Develop and deliver a process improvement model and training across organization, systematically, that provides a framework for standardizing continuous improvement.
	2.A.2) Implement and measure service levels and key performance indicators (KPIs) that enhance and optimize high impact or vulnerable process areas.
2.B) Improve process effectiveness, efficiency, and reliability in our highest impact areas.	2.B.1) Enhance Toho's Water Quality Management Program to establish a proactive approach to planning for new regulatory requirements, prevent water quality issues from arising, and effectively respond to water quality issues when they arise.
	2.B.2) Deploy customer facing technology solutions, including self service solutions, and organizational process enhancements to improve customer experience by reducing wait times and improving first call resolution.
	2.B.3) Develop and deploy (1) an updated IT governance system (cyber security, IT policies and practices) and (2) a business technology project framework (addresses the full technology life cycle) including business process assessment, project planning and prioritization, project delivery, and post deployment transfer and support.
	2.B.4) Implement an automated solution that supports the Contractual Agreements and Associated Obligations process.
GOAL #3 - ORGANIZATIONAL AND EMPLOYEE ALIGNMENT Drive organizational results by prioritizing systems that promote employee development, engagement, and brand alignment.	
3.A) Build Toho's Promise focused brand, both internally and externally.	3.A.1) Implement a communications strategy to build a culture that: 1) improves brand consistency, and 2) clearly connects our work to the Toho Promise and Priorities, including those outlined in this Strategic Plan.
3.B) Enhance our organizational capabilities and depth.	3.B.1) Align learning development programs with organizational and individual needs, using a tiered level approach, that focuses on skill development (technical and leadership), industry trends awareness, deepening knowledge, and applying best practices.
	3.B.2) Enhance organizational performance and employee engagement by developing a performance system and tool that aligns with employee development objectives and organizational priorities, including timely feedback and compensation.

Revised December 1, 2025 v.14

APPROVED by TOHO BOARD on September 11, 2024

PERFORMANCE MEASURES

Key Performance Indicators (KPI) are quantifiable metrics used to measure progress toward a specific business objective. Toho uses KPI's to quantify metrics and measure performance over time towards our goals. These will help the organization better understand our current performance and make decisions about future actions.

As shown in the diagram above, the KPI Performance Report was presented to the Board of Supervisors and included the most recent updates to the process.



Toho Leadership decided to revitalize our KPIs to make them more measurable, important and actionable. The previous set of KPIs did have measurable data that was readily available; however, the data showed a plateaued performance that did not trigger actions to improve performance, nor did they address the organization's most important goals.

Although Toho Water Authority has not yet finalized the KPIs for FY26, much work has gone into the process. The KPIs have been drafted, and data is available; however, target goals are missing at this time. The following tables include the KPIs without data or goals integrated.

KEY PERFORMANCE INDICATORS

* KPI is not currently tracked

KPI Focus	KPI	Targets/Tracking Units	Current Performance
Failure / Incident Frequency	# of water mainline breaks and leaks occurring per 100 miles of	9 per 100 miles	
	# of reclaim mainline breaks and leaks occurring per 100 miles of	9 per 100 miles	
	# of water service line (service line, meter, and curb stop) leaks	#/1000	
	# of sewer failures (breaks/leaks) occurring per 100 miles of	6 per 100 miles	
	# of sewer failures (breaks/leaks and blockages) occurring per	6 per 100 miles	
	# of sewer main sanitary sewer overflows occurring per 100 miles	6 per 100 miles	
	# of sewer lateral (laterals and cleanouts) failures per 1,000	#/1000	
	# of sewage backups into private properties due to utility-	#/1000	
	# of repeat sewage backups into private properties occurring	# of addresses	
	# of individual customer water quality (color, odor, taste)	#/1000	
	# of repeat water quality (color, odor, taste) complaints per	# of addresses	
Financial	Capital Spend Execution Rate - actual cash flow/projected cash	%	
Procurement	Average time (days) to complete the formal solicitation	# of days	
O & M Costs	Maintenance Cost/Lift Station	\$1200 per station	
	Ratio of Preventive Maintenance to Total Maintenance Hours -	At least 50%	
	Ratio of Preventive Maintenance to Total Maintenance Hours -	At least 50%	
Responsiveness	Average Time (hours) to restore water service to customers due	4.4 hours or less	
	Average Time (hours) to restore reclaim service to customers	4.4 hours or less	
	Average Time (hours) to restore sewer collection service to	# of hours	
	Average Time (hours) to restore water service to customers due	# of hours	
	Average Time (hours) to restore sewer collection service to	# of hours	
	Average Time (hours) to resolve individual customer water	# of hours	
	Average Time (hours) to respond to critical Lift Station alarms	1.5 hrs or less	
	Average time (days) to install new meters *	20 calendar days	
Workforce	Employee turnover rate	11% or less	
	Average time to hire new personnel	55 days or less	
	Training hours per employee	At least 22.3	
	Safety Incident Rate = (Number of Incidents X 200,000) / Total	Less than 5 per	
Contact Center	# calls abandoned per total number of calls	5%	
	Average call wait time	2 min	
	Customer Satisfaction - under development *	4 on a 1-5 scale	
	1st call resolution - under development *	80%	
Compliance	# of FDEP reportable non-compliant issues (all DEP compliance	0 # of issues	
Water	Unaccounted for Water Loss = MG lost/MG produced *	Less than 10%	

KPI Performance Legend

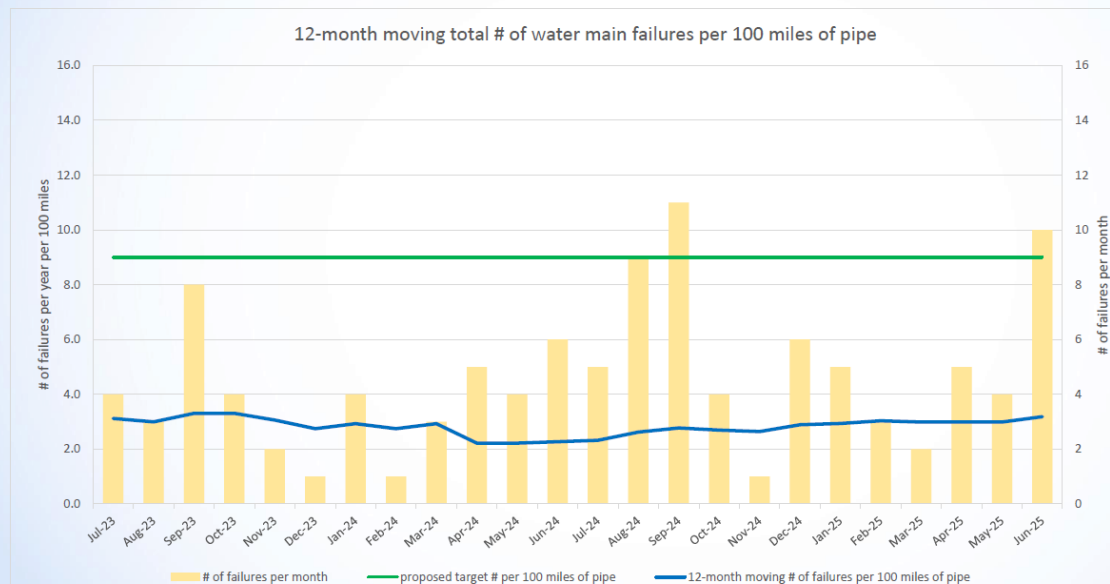
Color	Meaning	Description
■ Green	On Target or Better	KPI performance is at or better than the target.
■ Yellow	Below Target (Action in Progress)	KPI performance is not reaching the target, but a plan has been implemented to improve it.
■ Red	Underperforming (No Feasible Plan)	KPI is underperforming, and an improvement plan has not been or cannot be implemented due to uncontrollable circumstances.
■ Gray	Data or Target Missing	KPI performance cannot be reported due to incomplete data or because a target has not been set.

The following graphs are a selection of KPI measures from the main list that resulted in meaningful results that impacted some decision points.

KPI: # of potable water main failures per 100 miles of pipe per year

KPI Target: 9 failures per 100 miles of pipe

KPI Definition: The number of water main line failures occurring per 100 miles of main distribution and transmission piping



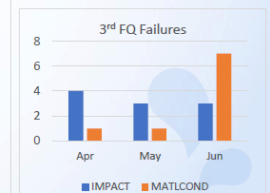
KPI Notes

Data before 4/1/2024 does not include St. Cloud totals.

Target Basis/Rationale:
Used the 75th Percentile AWWA Benchmarking 2023 water system failure rate.

KPI Performance

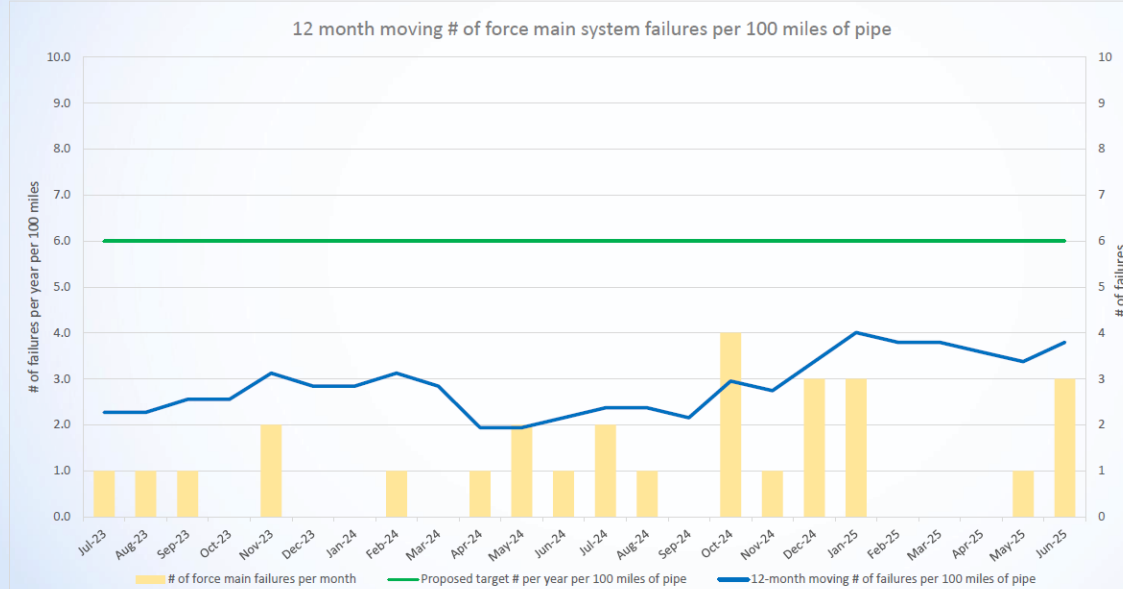
The increase in water main breaks for the past quarter is due to the increase in aging infrastructure failures in June. External impact failures were roughly consistent during the quarter.



KPI: # of sewer force main failures per 100 miles of pipe per year

KPI Target: 6 failures per 100 miles

KPI Definition: The number of sewer force main failures (breaks and leaks) occurring per 100 miles of force main piping



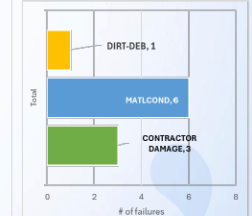
KPI Notes

Data before 4/1/2024 does not include St. Cloud totals.

Target Basis/Rationale: The goal is based on Orange County's target which is based on EPA standards.

KPI Performance: Previous reports included SSOs. They have been removed as they are represented in the SSO KPI performance. Force main breaks from 12-2024 to 6-2025 are mainly due to contractor damage and pipe material degradation.

Force Main failure causes

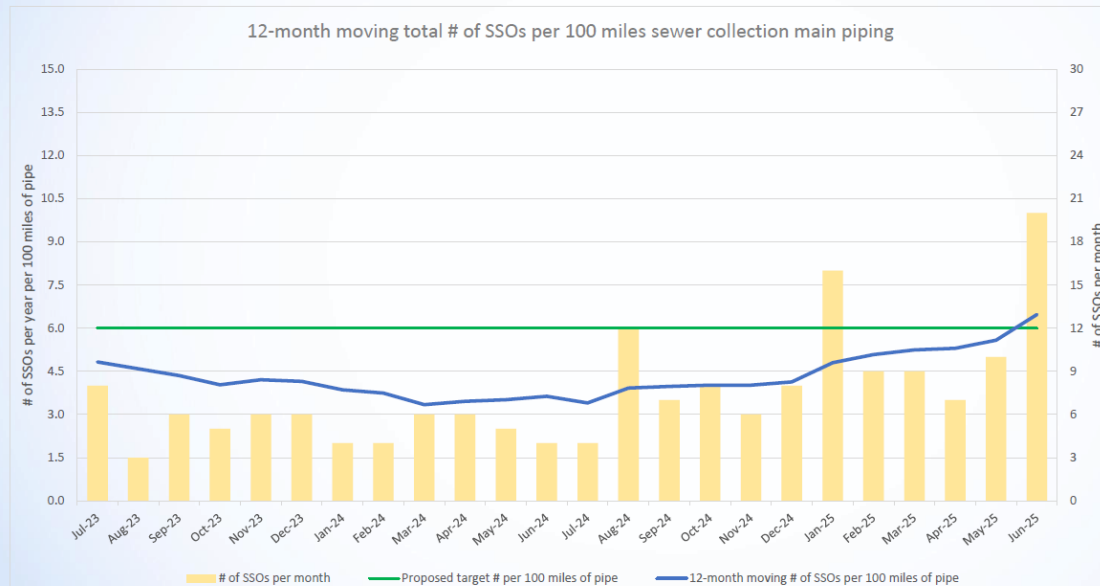


Analysis of major failure causes will determine next steps to address force main failures.

KPI: # of sanitary sewer overflows per 100 miles of sewer collection pipe per year

KPI Target: 6 failures per 100 miles

KPI Definition: The number of sanitary sewer overflows occurring per 100 miles of sewer collection piping



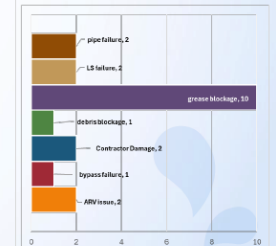
KPI Notes

Includes St. Cloud SSOs and miles of pipe.

Target Basis/Rationale: The goal is based on Orange County's target which is based on EPA standards.

Current Mitigation Efforts: Monitoring manhole fluid levels using SmartCover device.

June SSO Causes



KPI: # of repeat sewage backups inside private properties

KPI Target: To be determined

KPI Definition: The number of addresses with repeat sewage backups occurring within 5 years.



KPI Notes

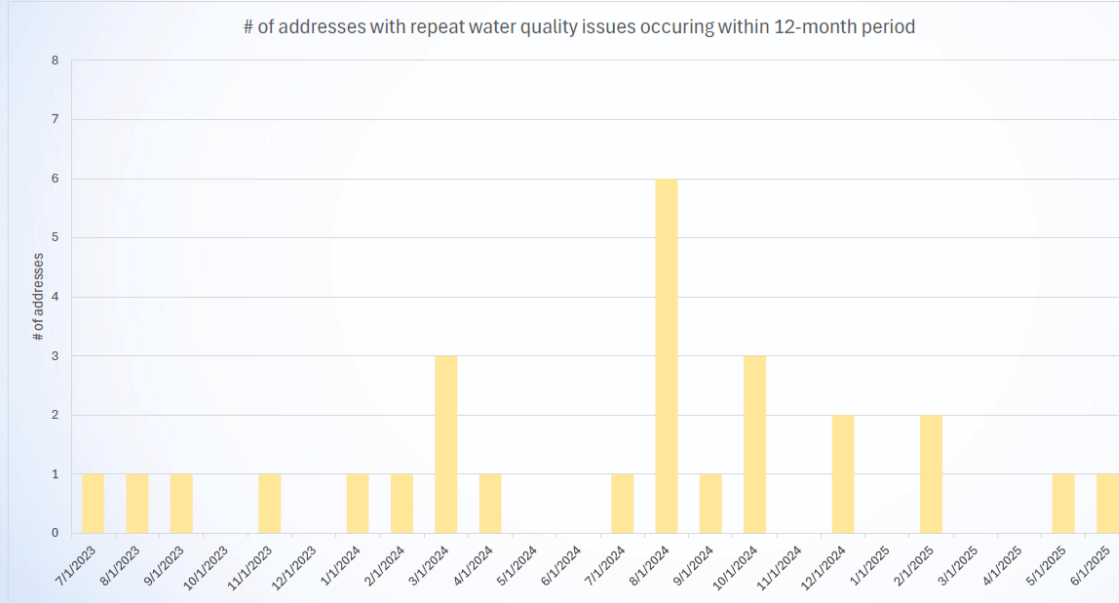
Data before 4/1/2024 does not include St. Cloud totals.

Target Basis/Rationale:
The goal is to establish the target based on regional peer utility performance.

KPI: # of repeat water quality complaints (taste, odor, color)

KPI Target: To Be Determined

KPI Definition: The number of addresses with repeat water quality issues occurring within 12 months



KPI Notes

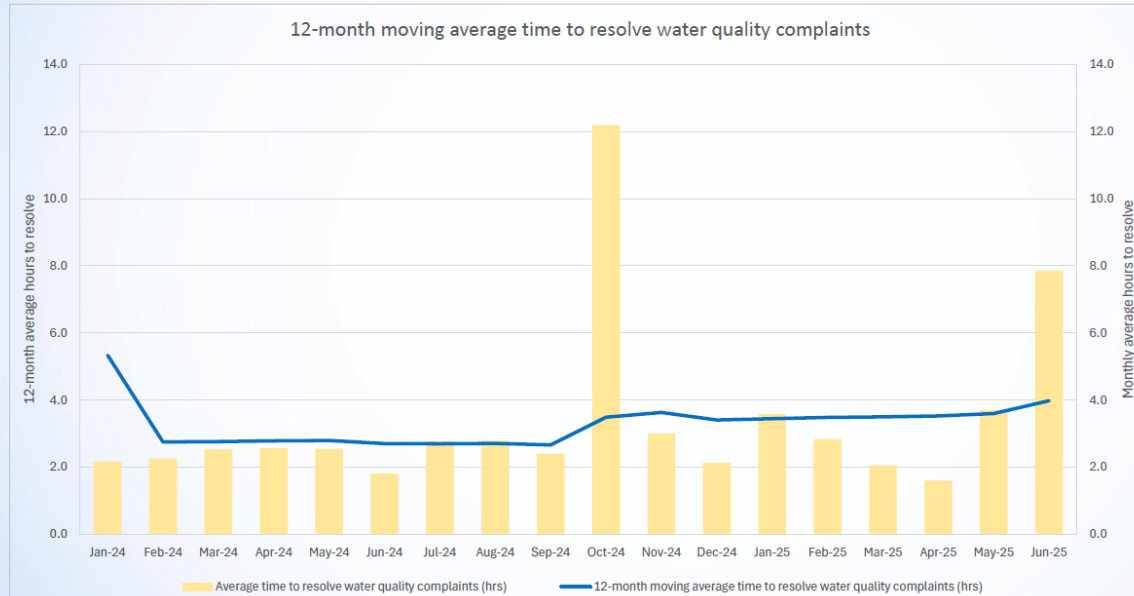
Data before 4/1/2024 does not include St. Cloud totals.

Target Basis/Rationale:
The goal is to establish the target based on regional peer utility performance.

KPI: Average number of hours to resolve water quality complaints

KPI Target: To be determined

KPI Definition: The average time to resolve a water quality complaint for an individual customer

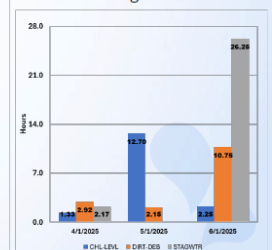


KPI Notes

Data before 4/1/2024 does not include St. Cloud totals.

Target Basis/Rationale:
The goal is to base the target on regional peer utility performance.

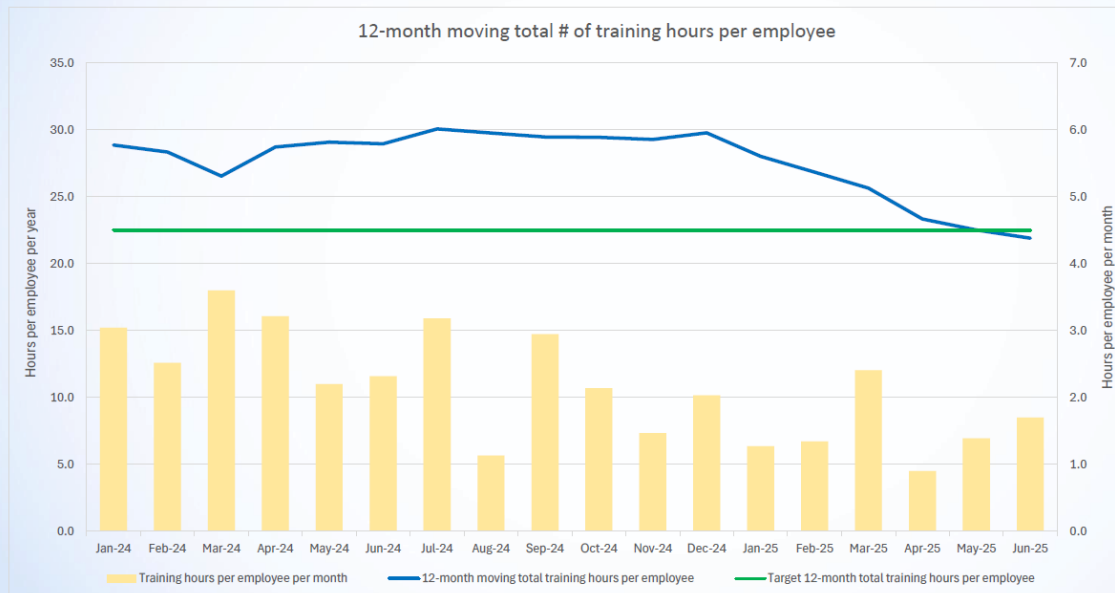
of hours to resolve Water Quality complaints by cause (3rd FQ)
CHL-LEVL – Chlorine Level
DIRT-DEB – Dirt/Debris
STAGWTR – Stagnant Water



KPI: Training hours per employee

KPI Target: At least 22.3 hours per employee per year

KPI Definition: The number of training hours taken by staff per employee



KPI Notes

Includes St. Cloud data.

Target Basis/Rationale:
Using the 75th Percentile AWWA Benchmarking 2022 training hours per employee.

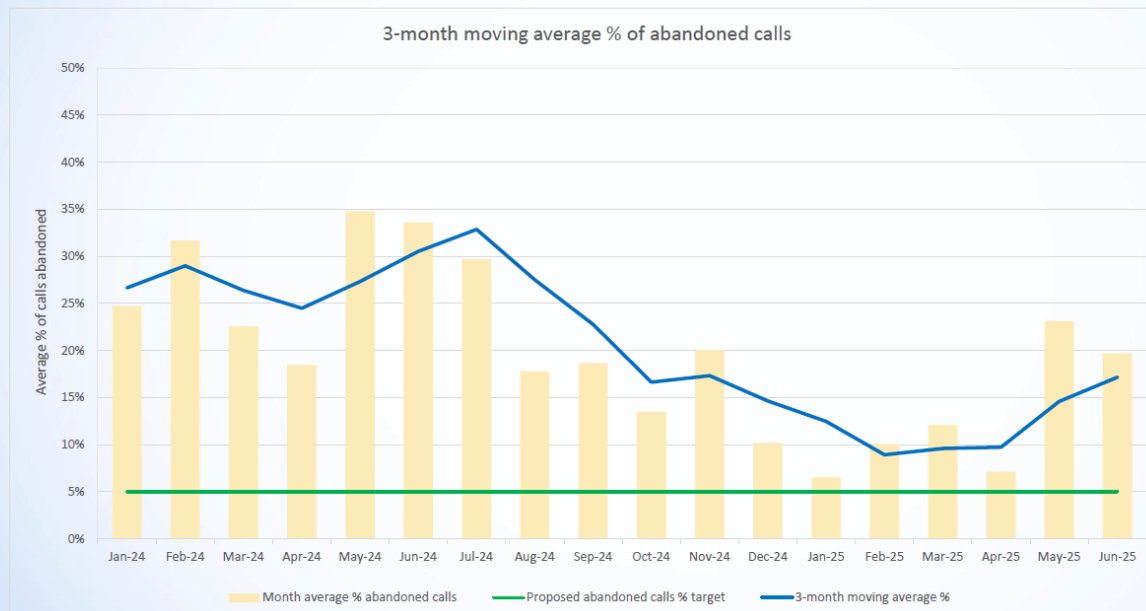
KPI Performance:
Significant updates have recently been implemented to enhance the training program's efficiency, resulting in a reduction in overall training hours.

- Several classes have transitioned from in-person to online delivery, substantially decreasing training time (e.g., from eight hours in the classroom to one hour online).
- Staff participation in online courses has been inconsistent. The Workforce Development team is identifying the specific areas that need improvement to build out an actionable plan to remedy the inconsistency.
- Field training is becoming more targeted, focusing only on employees who require it to perform their job responsibilities, rather than training entire teams regardless of the need.

KPI: % of presented calls that are abandoned

KPI Target: 5% or less

KPI Definition: The percentage of all presented calls that were not handled because the caller disconnected prior to being served



KPI Notes

Data includes St. Cloud totals

Target Basis/Rationale:
The target is based on industry standards.

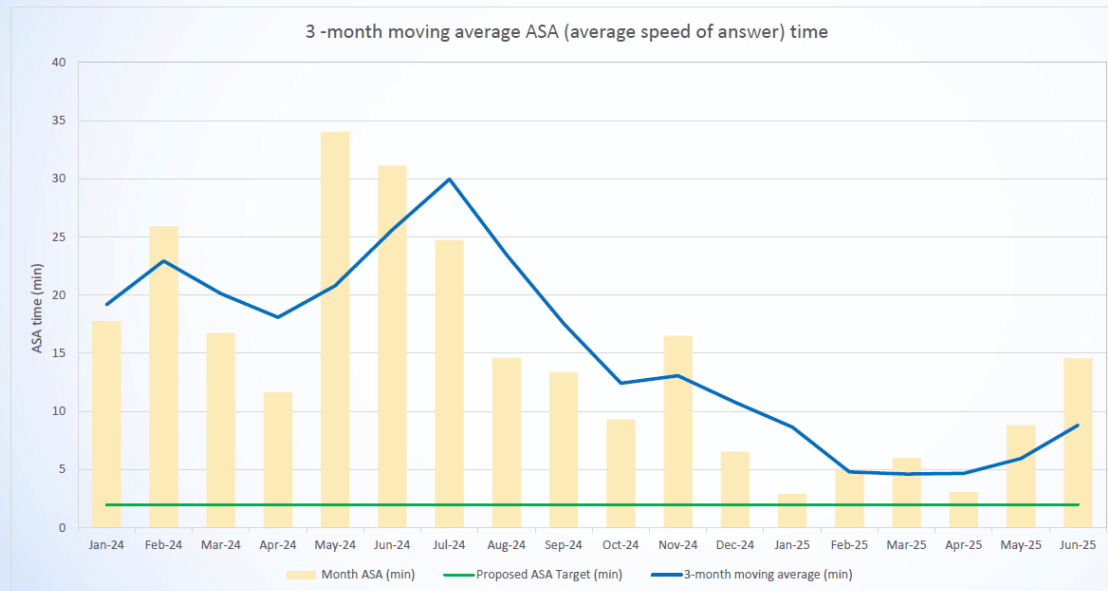
KPI Performance:
Recent increase in the % of abandoned calls / call wait time was driven primarily by

- Seasonal Variation
- Networking technology issues
- Staffing challenges including ramp-up of temps.

KPI: Average call wait time

KPI Target: 2 mins

KPI Definition: The average amount of time it takes to answer a call once in the queue



KPI Notes

Data includes St. Cloud totals

Target Basis/Rationale:

The target is based on benchmarking against other utilities with the same customer base and agency size.

KPI Performance:

Recent increase in the % of abandoned calls / call wait time was driven primarily by

- Seasonal Variation
- Networking technology issues
- Staffing challenges including ramp-up of temps.

TOHOPEKALIGA WATER AUTHORITY
Osceola County, Florida

Schedule 15

SELECTED OSCEOLA COUNTY DEMOGRAPHIC INFORMATION

Employment by Industry					
Average Annual Employment, % by Category, 2022	Osceola County	Florida	Average Annual Wage, 2022	Osceola County	Florida
All Industries	107,141	9,359,143	All Industries	\$48,457	\$63,770
Natural Resource & Mining	0.3%	0.8%	Natural Resource & Mining	\$44,404	\$43,504
Construction	6.0%	6.4%	Construction	\$53,957	\$63,021
Manufacturing	2.1%	4.4%	Manufacturing	\$60,810	\$74,590
Trade, Transportation and Utilities	21.3%	20.5%	Trade, Transportation and Utilities	\$37,955	\$56,618
Information	0.6%	1.7%	Information	\$78,543	\$109,068
Financial Activities	4.4%	7.0%	Financial Activities	\$61,374	\$97,914
Professional & Business Services	13.0%	16.9%	Professional & Business Services	\$63,393	\$79,380
Education & Health Services	16.5%	14.8%	Education & Health Services	\$59,324	\$62,057
Leisure and Hospitality	20.4%	13.2%	Leisure and Hospitality	\$32,158	\$33,766
Other services	2.6%	3.0%	Other services	\$39,663	\$47,178
Government	12.5%	11.2%	Government	\$54,332	\$64,666

Labor Force					
Labor Force as Percent of Population Aged 18 and Older			Unemployment Rate		
Osceola County	Florida		Osceola County	Florida	
2010	68.7%	61.8%	2010	12.1%	10.8%
2020	65.0%	58.7%	2020	14.1%	8.1%
2021	60.6%	59.3%	2021	6.2%	4.6%
2022	60.7%	60.1%	2022	3.4%	2.9%
2023 preliminary	60.5%	61.1%	2023 preliminary	3.3%	2.8%

Financial Health			Earnings by Place of Work		
Personal Income (\$000s)	Osceola County	Florida	Earnings (\$000s)	Osceola County	Florida
2015	\$9,975,391	\$919,834,894	2015	\$4,748,152	\$544,408,719
2016	\$10,774,486	\$954,069,719	2016	\$4,957,623	\$569,769,284
% change 2015-16	8.0%	3.7%	% change 2015-16	4.4%	4.7%
2017	\$11,711,284	\$1,023,131,116	2017	\$5,298,597	\$603,668,170
% change 2016-17	8.7%	7.2%	% change 2016-17	6.9%	5.9%
2018	\$12,801,899	\$1,087,188,628	2018	\$5,683,745	\$639,620,451
% change 2017-18	9.3%	6.3%	% change 2017-18	7.3%	6.0%
2019	\$13,566,532	\$1,139,799,293	2019	\$6,126,308	\$671,553,148
% change 2018-19	6.0%	4.8%	% change 2018-19	7.8%	5.0%
2020	\$15,360,005	\$1,221,121,559	2020	\$6,093,045	\$683,698,267
% change 2019-20	13.2%	7.1%	% change 2019-20	-0.5%	1.8%
2021	\$17,782,078	\$1,376,879,460	2021	\$7,114,606	\$768,399,192
% change 2020-21	15.8%	12.8%	% change 2020-21	16.8%	12.4%
2022	\$18,737,344	\$1,441,598,918	2022	\$8,173,447	\$844,048,879
% change 2021-22	5.4%	4.7%	% change 2021-22	14.9%	9.8%

Per Capita Personal Income			Quality of Life		
Osceola County	Florida		Median Income	Osceola County	Florida
2015	\$30,802	\$45,493	Median Household Income	\$64,312	\$67,917
2016	\$31,860	\$46,253	Median Family Income	\$71,239	\$81,514
% change 2015-16	3.4%	1.7%			
2017	\$33,148	\$48,774			
% change 2016-17	4.0%	5.5%			
2018	\$34,848	\$51,150			
% change 2017-18	5.1%	4.9%			
2019	\$36,258	\$53,034			
% change 2018-19	4.0%	3.7%			
2020	\$39,272	\$56,561			
% change 2019-20	8.3%	6.7%			
2021	\$44,013	\$63,078			
% change 2020-21	12.1%	11.5%			
2022	\$44,344	\$64,806			
% change 2021-22	0.8%	2.7%			

Workers Aged 16 and Over			State and Local Taxation		
Osceola County	Florida		2022 Ad Valorem Millage Rates	Osceola County	Not County-Wide*
Place of Work in Florida			County	6.8626	0.8564
Worked outside county of residence	48.0%	17.3%	School	5.5040	
Travel Time to Work			Municipal		1.0659
Mean travel time to work (minutes)	35.1	27.9	Special Districts	0.3000	0.4541

Personal Bankruptcy Filing Rate (per 1,000 population)			Prepared by:		
Osceola County	Florida		Office of Economic and Demographic Research		
12-Month Period Ending Sept 30, 2022	1.48	1.14	111 W. Madison Street, Suite 574		
12-Month Period Ending Sept 30, 2023	1.44	1.16	Tallahassee, FL 32399-6588		
State Rank	4	NA	(850) 487-1402 http://edr.state.fl.us		
NonBusiness Chapter 7 & Chapter 13			January 2024		

GLOSSARY

Accounting Changes	Toho implemented GASB Statement No. 96, <i>Subscription-Based Information Technology Arrangements (SBITA)</i> . Under this statement, a government is required to recognize a right-to-use subscription asset and a corresponding subscription liability at the commencement of the subscription term and to amortize the discount on the subscription liability as an outflow of resources in subsequent financial reporting periods, thereby enhancing financial reporting by allowing users to better evaluate a government's SBITA-related obligations and assets and providing greater consistency and comparability of governmental financial statements. Toho reviewed its current SBITAs and determined that two agreements qualify for this treatment. See Note 7 for further information on SBITAs.
Accounts Receivable	Operating revenues are generally recognized on the basis of cycle billings rendered monthly. Unbilled revenues for services delivered during the last month of the fiscal year are accrued based on meter readings for September consumption. Also included are outstanding balances relating to finance agreements. Receivables related to operating revenues are recorded as current assets, net of an allowance for doubtful accounts of \$500. The allowance is based upon management's specific identification of receivables that may become uncollectible.
Biochemical Oxygen Demand (BOD)	A chemical testing procedure for determining the uptake rate of dissolved oxygen by the biological organisms in a body of water. It is widely used as an indication of the quality of water.
Bond	Is a promise to repay borrowed money by a specific date in the future including specific interest on the amount borrowed at predetermined intervals during the agreed term.
Capital Budget	Toho's plan for capital expenditures during a one-year period.
Capital Expenditure	An expenditure of \$5,000 or more that is used to purchase or improve an asset with a useful life of one year or more.
Cash and Cash Equivalents	Cash and cash equivalents include cash on hand, demand deposits, certificates of deposit, money market accounts, savings accounts, investments in the State Board of Administration Florida Local Government Surplus Funds Trust Fund (SBA) and Florida Public Assets for Liquidity Management (FLPALM), and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased.

Collection System	That portion of Toho’s pipeline system that collects wastewater flow from the member agencies and transports it to the treatment plant.
Connection Fee	The connection fee is referred to as a system development fee or capacity charge and is a one-time fee paid at the time of connection to the system. The fee recovers a proportional share of capital costs incurred to provide service capacity for the new water & wastewater customers.
Debt Service	Principal and interest payments on borrowed money
Debt Service Coverage	Ratio of annual debt service relative to net revenues
Equivalent Residential Unit (ERU)	Used to set assigned water & wastewater capacity rates based on the amount of water & wastewater generated from an average, single-family residence, or ERU. Connections and ERUs may be used interchangeably to reference the number of single-family households in the system or connecting to the system at any given time.
Estimates	The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.
Fiscal Year (FY)	The time frame in which the budget applies. This period is from October 1st through September 30th.
Full-Time Equivalent (FTE)	A measure of effective authorized positions, indicating the percentage of time a position or group of positions is funded. It is calculated by equaling 2,080 hours of work per year with the full-time equivalent of one position; thus, one position would have an FTE of 1.
Fund	An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.
Fund Balance	The excess of an entity’s assets beyond its liabilities. A negative fund balance is sometimes called a deficit.

Generally Accepted Accounting Principles (GAAP)	Uniform minimum standards of, and guidelines for external financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompasses the conventions, rules and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application but also detailed practices and procedures. The primary authoritative statements on the application of GAAP to state and local governments are Government Accounting Standards Board (GASB) pronouncements and Financial Accounting Standards Board (FASB) pronouncements. GAAP provides a standard by which to measure financial presentations.
Geographic Information System (GIS)	An organized collection of computer hardware, software and geographic data designed to efficiently capture, store, update, manipulate, analyze, and display all forms of geographically referenced information.
GFOA	Government Finance Officers Association
Inflow & Infiltration (I&I)	A term used to describe the ways that groundwater and storm water enter a sewer system. Inflow is storm water that enters sanitary sewer systems and point of direct connection to the system. Infiltration is groundwater that enters sanitary sewer systems through cracks and/or leaks in the sanitary sewer pipes
Interlocal agreement	A formal legal agreement between two or more public agencies that shows a common power and where the organizations want to jointly implement programs, build facilities, or deliver services. Officials from those public agencies formally approve a cooperative arrangement.
Internal Control	A plan of organization for purchasing, accounting, and financial activities which, among other things, provides that: • The duties of employees are subdivided so that no single employee handles a financial transaction from beginning to end • Proper authorizations from specific responsible officials are obtained before key steps in the processing of transactions are completed • Records and procedures are arranged appropriately to facilitate effective control
Inventory	Inventory, primarily consisting of meter boxes and supplies held for use in maintaining the system, is stated at cost. Each inventory item's cost is determined by using the first-in, first-out (FIFO) method.

Investments	Investments are stated at fair value, except for investments in the SBA and FL PALM, which are external 2a-7 like investment pools stated at share price. All fair market valuations are based on quoted market prices.
Key Performance Indicators	These are used to evaluate divisions' effectiveness and efficiency and if they are achieving the stated objectives and goals for Toho.
Lift Station	A pumping operation usually located a long distance from the treatment plant that provides for the lifting and conveyance of sewage through the force main to gravity flow points. Also known as a pump station.
Master plan	A long-term plan which outlines and discusses Toho's operations and capital plan for the period in review.
Measurement Focus and Basis of Accounting	Toho uses the flow of economic resources measurement focus and the accrual basis of accounting in the preparation of its annual financial statements, whereby revenues are recognized when earned and expenses are recognized when incurred. The accounting and reporting policies of Toho conform to the accounting rules prescribed by the Governmental Accounting Standards Board (GASB).
MGD	Million gallons per day
Non-Current Accounts Receivable	Toho has receivables consisting of system development charges, and other. Receivables related to system development charges are recorded as non-current assets, net of an allowance for doubtful accounts. The allowance is based upon management's specific identification of receivables that may become uncollectible. In fiscal year 2023, no allowance was deemed necessary.
OPEB	Other post-employment benefits.
Operating Budget	Toho's plan for operating and maintenance expenses during a one-year period.
Purchase Order	A document issued to authorize a vendor or consultant to deliver specified merchandise or render a specified service for a stated estimated price.
Reclaimed Water	Effluent water which has been treated and reused for irrigating purposes.
Reporting Entity	Reporting Entity - The Tohopekaliga Water Authority (Toho) was created on June 26, 2003, pursuant to Chapter 2003-368, Laws of Florida, as amended, for purposes of providing water, wastewater, and non-potable water services to the residents of

Osceola County, Florida. Pursuant to a joint local agreement with the City of Kissimmee, Florida (the City) and Osceola County (the County), Toho's fiscal operations began on October 1, 2003. On February 10, 2022, Toho entered into a joint local agreement with the City of St. Cloud, Florida (City of St. Cloud resolution No. 2022-034R) whereby Toho will provide full management, financing and administration services for the City of St. Cloud environmental utility system. Incorporating the City of St. Cloud Utility system began on October 1, 2022. Toho is governed by a seven-member Board of Supervisors (the Board). Pursuant to inter-local agreements, two Board members are appointed by the Osceola County Board of County Commissioners, two Board members are appointed by the City Commission of the City of Kissimmee, two Board members are appointed by the City Commission of the City of St. Cloud, and one Board member is appointed by the Polk County Board of County Commissioners. Accordingly, Toho is the primary government for financial reporting purposes.

Reserve	An account used to indicate that a portion of fund equity or (Fund Balance) is legally restricted for a specific purpose or not available for appropriation and subsequent spending.
Revenue	Income generated by assessments, investments, connection fees, stand-by fees, and user charges.
Revenue Bonds	The payment for which the future revenues of the issuing organization are pledged.
Revenue Requirements	Amount of revenue required to cover operating and capital costs. Operating costs are usually routine and periodic costs incurred to provide service on an ongoing basis. Capital costs relate to capital items such as equipment or facilities that provide benefits over multiple years.
SCADA	Supervisory Control and Data Acquisition (SCADA) is an automated system that uses programmable logic controls to monitor and control treatment processes and pump stations.
Sludge	Refers to the residual, semi-solid material left from industrial wastewater or sewage treatment processes.
Solids	The material removed from sludge as grit, sand or debris
Transmission System	That portion of Toho's pipeline system that transmits potable water flow from the water treatment plants and transports it to the end users.

User Rates & Fees	The rate charged per equivalent dwelling unit. This rate is set by Toho A and based on its revenue requirements and cost of providing service.
Wastewater	Comprised of liquid waste discharged by domestic residences, commercial properties, industry, and/or agriculture. In the most common usage, it refers to the municipal wastewater that contains a broad spectrum of contaminants resulting from the mixing of wastewater from different sources.
Wastewater Flow	Flow from residential and commercial units connected to the sewer system.
Wastewater Infrastructure	The infrastructure, including pipelines, drains, manholes, and other system facilities used to convey and treat sewage.
Water	Potable water for residential & commercial customers used for drinking, industry or medicine.
Water Flow	Flow to residential and commercial units connected to the water system.
Water Reclamation Facility (WRF)	Treatment facility that removes most of the contaminants from wastewater or sewage and produces both a liquid effluent suitable for disposal to the natural environment and a sludge
Water Treatment Plant (WTP)	Treatment facility in which makes water more acceptable for end-use, which may be drinking, industry, or medicine.

LISTING OF ABBREVIATIONS

AM	Asset Management
AMR	Automatic Meter Reading
AWS	Alternative Water Supply
BOD	Biochemical Oxygen Demand
CIS	Customer Information System
COK	City of Kissimmee
CFWI	Central Florida Water Initiative
CW	Camelot West
DSC	Debt Service Coverage
ECFS	East Central Florida Services
ENRCCI	Engineering News Record Construction Cost Index
ERP	Environmental Resource Permit
ERU	Equivalent Residential Unit
FDOT	Florida Department of Transportation
FDEP	Florida Department of Environmental Protection
FY	Fiscal Year
FTE	Full-Time Equivalent
GAAP	Generally Accepted Accounting Principles
GIS	Geographic Information System
GFOA	Government Finance Officers Association
HR	Human Resources
I&I	Inflow & Infiltration
IPR	Indirect Potable Reuse
KPI	Key Performance Indicator
KUA	Kissimmee Utility Authority
LS	Lift Station
MG	Million Gallons
MGD	Million Gallons Day
NB	North Bermuda
NW	Northwest
PB	Peabody
PILOT	Payment in Lieu of Taxes
PW	Parkway
OPEB	Other Post-Employment Benefits
R&R	Renewal & Replacement
RIBS	Rapid Infiltration Basin System
RTU	Radio Transmission Unit
SCADA	Supervisory Control & Data Acquisition
SDC	System Development Charge
SB	South Bermuda
SH	Sandhill
SM	Sewer Main
SSO	Single Sign On
SW	Southwest
SWWMD	Southwest Water Management District
TAP	Toho Assistance Program

TWA	Toho Water Authority
WM	Water Main
WIFIA	Water Infrastructure Financing & Innovation Authority
WRF	Water Reclamation Facility
WS	Water/Sewer
WTP	Water Treatment Plant
WUP	Water Use Permit

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