



City of Eustis

P.O. Drawer 68 • Eustis, Florida 32727-0068 • (352) 483-5430

TO: Eustis City Commission

FROM: Rick Gierok, Interim City Manager

DATE: April 16, 2026

RE: Resolution Number 2026-23: Budget Amendment to Recognize Loan between General Fund and the Stormwater Utility Fund and to establish a Budget for Debt Service Payments through the end of the Fiscal Year

Introduction:

The City experienced significant infrastructure damage during the 2025 One Thousand Year Flood. The invoice for the final stormwater utility infrastructure repair has been received. The Stormwater Utility Fund does not have funds available to pay the invoice. The Stormwater Fund is requesting a loan from the General Fund in order to pay this invoice.

Background:

On October 26, 2025, the City of Eustis experienced a significant rainfall event that was deemed a Thousand Year Flood. As a result of this flood, the City experienced significant damage to critical infrastructure including roads and streets, stormwater and the water/sewer utility. Some repairs were done in-house by Public Works staff.

On November 20, 2025, the City Commission approved a budget amendment for all known infrastructure damage that was expected to be performed by outside contractors. The culvert repair at 509 Pine Lane was initially intended to be performed by in-house staff. However, the repair was more extensive than anticipated and the work was performed by an outside contractor. The cost of the culvert repair was \$174,810. The City's Stormwater Fund does not have adequate funding for this repair and is requesting funds from the General Fund in the form of an interfund loan.

These resolutions provide for a loan from the General Fund to the Stormwater Fund as well as a budget amendment for the Stormwater Fund for appropriate funds for payment of the invoice to the contractor and for debt service payments to the General Fund from May 2026 to September 2026.

The loan will be issued with an interest rate of 2.875% with a 10-year term. There will be no prepayment penalties. Aside from the length of the loan, the terms are the same as the General Fund loan to the CRA loan approved in 2025.

The accounting mechanics of the transaction are below:

General Fund

Exp	001-8100-581-91-49	Transfer to Stormwater	174,810
	General Fund	Fund Balance	<u>(174,810)</u>

Stormwater Fund

Rev	049-0000-381-01-00	Transfer from General Fund	174,810
Exp	049-8400-525-30-49	Thousand Year Flood	<u>(174,810)</u>
Exp	049-8800-581-70-71	Debt Service Principal	5,100
Exp	049-8800-581-70-72	Debt Service Interest	1,700
	Stormwater Fund	Fund Balance	<u>(6,800)</u>

General Fund

Asset	001-0000-132-90-49	Receivable from Stormwater	174,810
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Stormwater Fund

Liability	049-0000-236-90-01	Payable to General Fund	174,810
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Recommended Action:

Approve Resolution Number 2026-23 appropriating funds in the Stormwater Fund to reimburse the General Fund as described above.

Prepared by:

Lori Carr, Finance Director

Reviewed by:

Mari Leisen, Deputy Finance Director
Miranda Burrowes, Deputy City Manager

Attachments:

Stormwater Loan Amortization Schedule