



# TOWN OF HIGHLAND BEACH

## AGENDA MEMORANDUM

**MEETING TYPE:** Town Commission Meeting

**MEETING DATE** 05/16/2023

**SUBMITTED BY:** David M. DiLena, Finance Director

**SUBJECT:** Water Sewer Update

Resolution No 2022-022 adjusted water rates by 10% and Sewer rates by 12% effective October 1, 2022. We have finished billing through the first six (6) months (aka 2<sup>nd</sup> Quarter) of the fiscal year ending March 31, 2023, and summarized below:

Water & Irrigation					
Description	2023 Annual Budget	2023 YTD 2nd Q Actuals	2023 YTD 2nd Q Budget	\$ Var	% Var
WATER UTILITY REVENUE	\$ 2,451,615	\$ 1,289,852	\$ 1,225,808	\$ 64,045	5.2%
IRRIGATION UTILITY REVENUE	583,360	265,491	291,680	(26,189)	-9.0%
Total Water	\$ 3,034,975	\$ 1,555,343	\$ 1,517,488	\$ 37,856	2.5%

[1] Seasonality - will pickup during Q3 & Q4

Description	2022 Annual Budget	2023 YTD 2nd Q Actuals	2022 YTD 2nd Q Actuals	\$ Var	% Var
WATER UTILITY REVENUE	2,637,200	\$ 1,555,343	\$ 1,325,983	\$ 229,360	17.3%

Sewer					
Description	2023 Annual Budget	2023 YTD 2nd Q Actuals	2023 YTD 2nd Q Budget	\$ Var	% Var
SEWER UTILITIES REVENUE	\$ 1,524,334	\$ 831,696	\$ 762,167	\$ 69,529	9.1%

Description	2022 Annual Budget	2023 YTD 2nd Q Actuals	2022 YTD 2nd Q Budget	\$ Var	% Var
SEWER UTILITIES REVENUE	1,569,000	\$ 831,696	\$ 669,900	\$ 161,796	24.2%

## Water Revenue

- Through the 2nd Quarter of FY2023 Water Revenue exceeded the budget by 5.2% or \$64,045, whereas Irrigation Revenue is trailing by -9% or -\$26,189. Due to the high seasonality of Highland Beach, we are anticipating Irrigation Revenue to pick up the slack during the summer months and exceed budgeted amounts.
- Revenues increased by \$229,360 or 17% for FY2023 2nd Quarter VS FY2022 2nd Quarter because of the increase in consumption and rates.

## Sewer Revenue

- Through the 2<sup>nd</sup> Quarter of FY2023 Sewer Revenue exceeded our budget by 9.1% or \$69,526.
- Revenues increased by \$161,796 or 24% for FY2023 VS FY2022 2<sup>nd</sup> Quarter because of the increase in treatment and rates.

## Water Expenditures

Water Fund				
Description	2023 Annual Budget	2023 YTD 2nd Q Actuals	% Spent	% Remaining
Expenditures				
Salaries & Related	1,135,758	538,570	47%	53%
Operations	1,610,944	966,547	60%	40%
Debt Service	1,549,192	774,612	50%	50%
Capital	547,246	535,864	98%	2%
Total Expenditures	4,843,140	2,815,592		

- Salaries and Related Expenditures are currently under budget by 2%
- Operating expenses are currently tracking over budget by 10%, which is the result of inflation pressures as well as increased fuel purchase to bring fuel tank levels up to pre-hurricane levels. We anticipate 2<sup>nd</sup> half of the year for operating expenditures to level out at or below budget.
- Capital Program is totally spent for the year.

## Sewer Expenditures

Sewer Fund				
Description	2023 Annual Budget	2023 YTD 2nd Q Actuals	% Spent	% Remaining
Expenditures				
Operations	1,557,692	783,906	50%	50%
Capital	225,000	-	0%	100%
Total Expenditures	1,782,692	783,906		

- Operating expenditure is currently in line with our current budget plan.
- Capital Expenditures have not been incurred yet, but we are anticipating spending the entire capital budget.

## New Updates

The staff are currently working on a new tool that will provide better details of our data for analysis.

This analysis includes looking at historic and current data and trends. Power BI Desktop is a self-service **data analysis and reporting tool** that turns data into visual interactive information for all stakeholders.