

City of LaBelle
FY2027 Budget
Utilities: Supplemental notes

DISCUSSION ITEMS

- ESTIMATES - SIGNIFICANT UNCERTAINTY REGARDING GRANT-RELATED ACTIVITY, WHICH IMPACTS TIMING AND AMOUNT OF GRANT RECEIPTS, CAPITAL OUTLAY, AND CASH/LOAN REQUIREMENTS. (LOAN NOT YET APPROVED BY USDA.)
- REVENUE - CUSTOMER DEPOSITS REPORTED NET OF REFUNDS
- REVENUE - CAPITAL IMPROVEMENT GRANTS REVENUE REPORTED AT ESTIMATED RECEIPTS
- REVENUE - SERVICE CHARGES INCLUDE 4% ADJ FOR COLA & GROWTH + TRUE-UP

- EXPENDITURES - REPAIRS AND MAINTENANCE DUE TO AGING INFRASTRUCTURE & EQUIPMENT
- EXPENDITURES - CAPITAL OUTLAY INCLUDES "UNFUNDED" GRANT PROJECTS & REPLACEMENT OF AGING EQUIPMENT
- EXPENDITURES - INFLATIONARY PRESSURES (FUEL, UTILITIES)
- EXPENDITURES - 3RD PARTY CONTRACTORS
- EXPENDITURES - DEBT SERVICE - LINE OF CREDIT (PENDING USDA APPROVAL)
GROSS PROCEEDS PEGGED TO FORECASTED CAPITAL OUTLAY. INTEREST @ 4.5%
CASH FLOW ESTIMATES HIGHLY VARIABLE DUE TO TIMING OF EXPENDITURES & REIMBURSEMENTS.
ASSUMES BEGINNING DEBT OBLIGATION OF \$3.5M FOR FY2026.

- BUDGET SHORTFALL - SEWER OPERATING AT AN ESTIMATED DEFICIT OF \$639K. OPTIONS TO FUND SHORTFAL:
EXCESS PROCEEDS FROM WATER (\$284K)
GENERAL FUND TRANSFFER ((356K)

- SANITATION - CONTRACT DISPUTE FOR WASTE DISPOSAL UNDER NEGOTIATION.
LIKELY TO RESULT IN A SIGNIFICANT CASH SETTLEMENT PAYABLE TO WASTE CONNECTIONS
AND LARGE INCREASE IN FEES. BUDGET MAY BE UNDERSTATED FOR CHANGES.

Reconciliation of grant funding, loan activity, and capital outlay

		WATER	SEWER	TOTAL
GRANT REVENUE				
Accrual basis	GRANT REV = LOC DRAW	11,912,500	22,641,500	34,554,000
	LESS: EST AR	(5,497,250)	(10,942,650)	(16,439,900)
	RECEIPTS/LOAN PYMTS	6,415,250	11,698,850	18,114,100
	LESS ARPA (DEFERRED REVENUE)		(1,000,000)	(1,000,000)
	NET GRANT RECEIPTS	6,415,250	10,698,850	17,114,100
DEBT SERVICE				
	Payments	6,415,250	11,698,850	18,114,100
	LOC interest	187,619	334,256	521,875
	EXISTING LOANS	580,259	187,350	767,609
	TOTAL DEBT SVC	7,183,128	12,220,456	19,403,584
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CAPITAL OUTLAY				-
	GRANT PROJECTS	11,912,500	22,641,500	34,554,000
	UNFUNDED OUTLAY			-
	EQUIPMENT/GRANTS	150,000	100,000	250,000
	METERS	128,500		128,500
	EASEMENTS	30,000	30,000	60,000
	TOTAL UNFUNDED OUTLAY	308,500	130,000	438,500
	TOTAL OUTLAY	12,221,000	22,771,500	34,992,500