



CITY OF LAKE WORTH BEACH BUDGET WORKSHOP #3

FISCAL YEAR 2023-2024
August 7, 2023

UTILITIES BUDGET UPDATE

The City Manager, Finance, and department leadership have had additional discussions with feedback provided from the City Commission at Budget Workshop #1&2, to develop a balanced budget for the utilities budget for Fiscal Year 2024.

Budget Workshop #3 will provide an update on all Enterprise Funds which includes:

1. Electric Fund
2. Water Fund
3. Local Sewer Fund
4. Regional Sewer Fund
5. Stormwater Fund
6. Refuse Fund

Other topics of discussion :

1. Stantec Modeling
2. FY24 Schedule of fees (changes from prior year)

Below is a summary of changes and updates since Budget Workshop #1&2 to allow for a balanced budget.

Electric Fund

Expenses

- Department 6010 – Administration
 1. Unfunded 3 positions -\$216,000 (Salaries & Benefits).
 - 45% Grants Coordinator
 - 17% Strat Improve Project Manager
 - 100% Energy Conservation Manager
 2. Contractual Services, total change of \$258,166
 - Decrease from \$100K to \$25K Southern National Marine Energy Research Center (OCE)
 - Decrease from \$45,000 to \$20,000 Communication Outreach (annual report & COE website)
 - Decrease from \$188,166 to \$30,000 Cost of Service Study (Leidos)

- Department 6020 – Engineering
 1. Unfunded part time positions for a total of \$175,000(Salaries & Benefits).
 - Electric Intern-\$37,000
 - Part time Consultant-\$138,000
 2. Capital Outlay Contra (\$661,077). Labor cost funded by bond money.

- Department 6031 – Power Plant
 1. Contractual Services, Total change of \$206,000
 - \$50,000 – eliminate Solar Contract. This is for the solar maintenance costs.
 - \$50,000 – eliminate / remove demand response for FY24 budget
 - \$ 6,000 – eliminate /removing generator inspection consultant from the budget.
 - \$100,000 re-class SELF to ARPA
 2. Electrical Plant, total change of \$58,200
 3. Other Plant, total change of \$15,000

- Department 6033 – Power System Operation
 1. Unfunded Nerc Document position for a reduction of \$136,000(Salaries & Benefits).

- Department 6034 – Distribution
 1. Unfunded Troubleman position for a reduction of \$162,000 (Salaries & Benefits).
 2. Unfunded PT Project Coordinator for a reduction of \$74,000
 3. Capital Outlay Contra (\$1,555,831). Labor cost funded by bond money.

- Department 1240 - Customer Service
 1. Removed a part time Customer Service Manager position for a total reduction of \$72,299(Salaries & Benefits).
 2. Equipment Technology reduction of \$56,000.

- Total reduction of approx. \$3.5M from Budget Workshop #1 resulted in a surplus of \$37,745.

Water Fund

Expenses

1. Other Professional Service increased, the original amount of \$300,500 was increased to \$650,000 due to an SRF Loan for Service Line Inventory requiring a match of \$350,000.
2. The fund will also use its current revenues to fund the Backhoe Replacement CIP project in the amount of \$140,000.

Local Sewer Fund

Revenue

1. Measured Revenue was increased from \$10,460,053 to \$11,143,882, projecting a 10% rate increase instead of an initial 3%.

Expenses

1. Regional System expense of \$5,300,000 was increased to match the ECR Board approved budget of \$6,113,524; an increase of \$813,524.

Storm Water

Revenue

1. Revenues were increased by \$352,500 from a grant for 10th and 13th Ave. North Resilience project. The grant required matching funds of \$352,500 resulting in the use of fund balance in the amount of approx. \$287,000.

Regional Sewer Fund

Expenses

1. Total expenses were reduced by \$1,112,610 to \$700,000 per the ECR Board approved budget.
2. Regional Sewer Net Operation revenue over expenditures leaves a surplus of approximately \$871,000 covering the deficit from the last meeting.

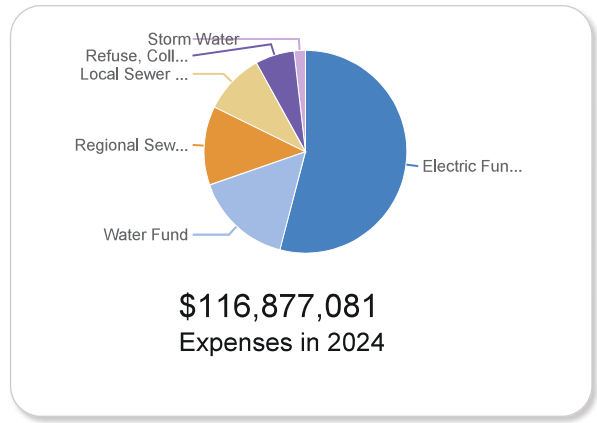
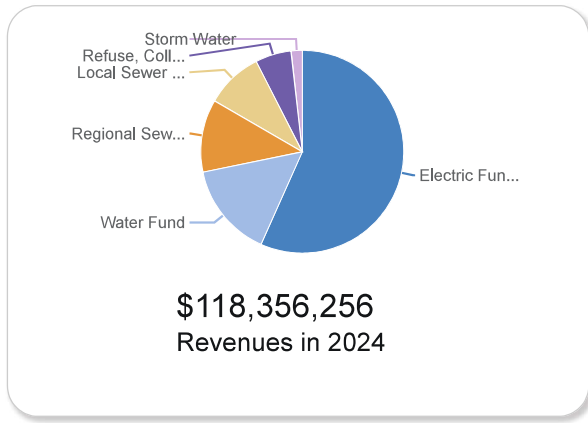
Refuse Fund

Revenue

1. Increased residential rate by 5.5% resulting in a surplus of approximately \$122,600.

Enterprise Funds

TYPE	ELECTRIC FUND	WATER FUND	LOCAL SEWER FUND	REGIONAL SEWER FUND	STORMWATER FUND	REFUSE FUND
Type	FY2024	FY2024	FY2024	FY2024	FY2024	FY2024
Revenues	\$66,025,300	\$17,714,880	\$11,355,682	\$13,665,088	\$2,707,083	\$6,888,223
Expenses	\$65,987,555	\$17,272,754	\$11,354,770	\$12,793,554	\$2,702,824	\$6,765,624
Net Revenue	\$37,745	\$442,126	\$912	\$871,534	\$4,259	\$122,599

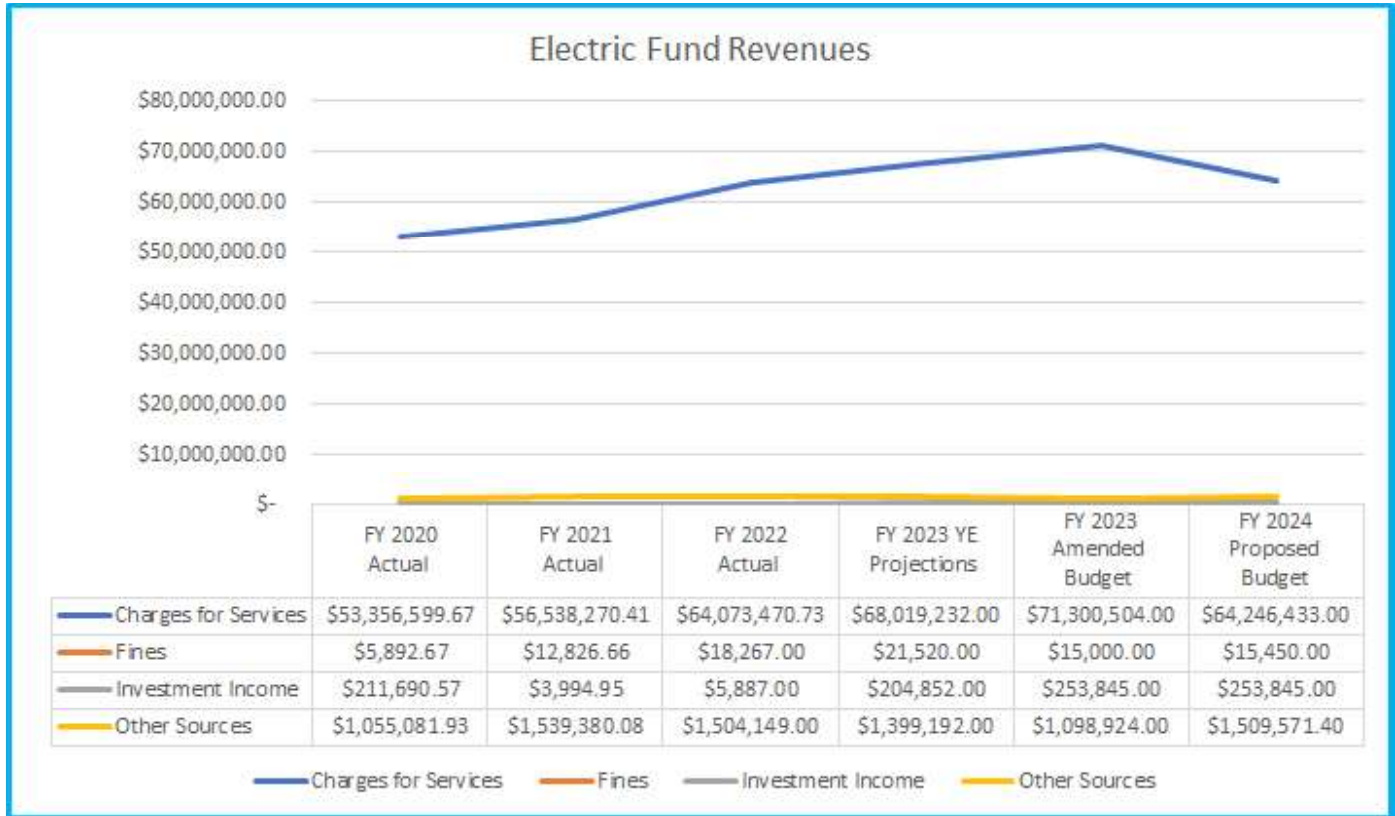




Electric Fund

The Electric Utility Fund activities consist of the following primary programs and services: Customer Service, Administration, Engineering, Warehouse, Power Generation, Power Operations, Distribution, and Meter Shop.

ELECTRIC FUND REVENUES

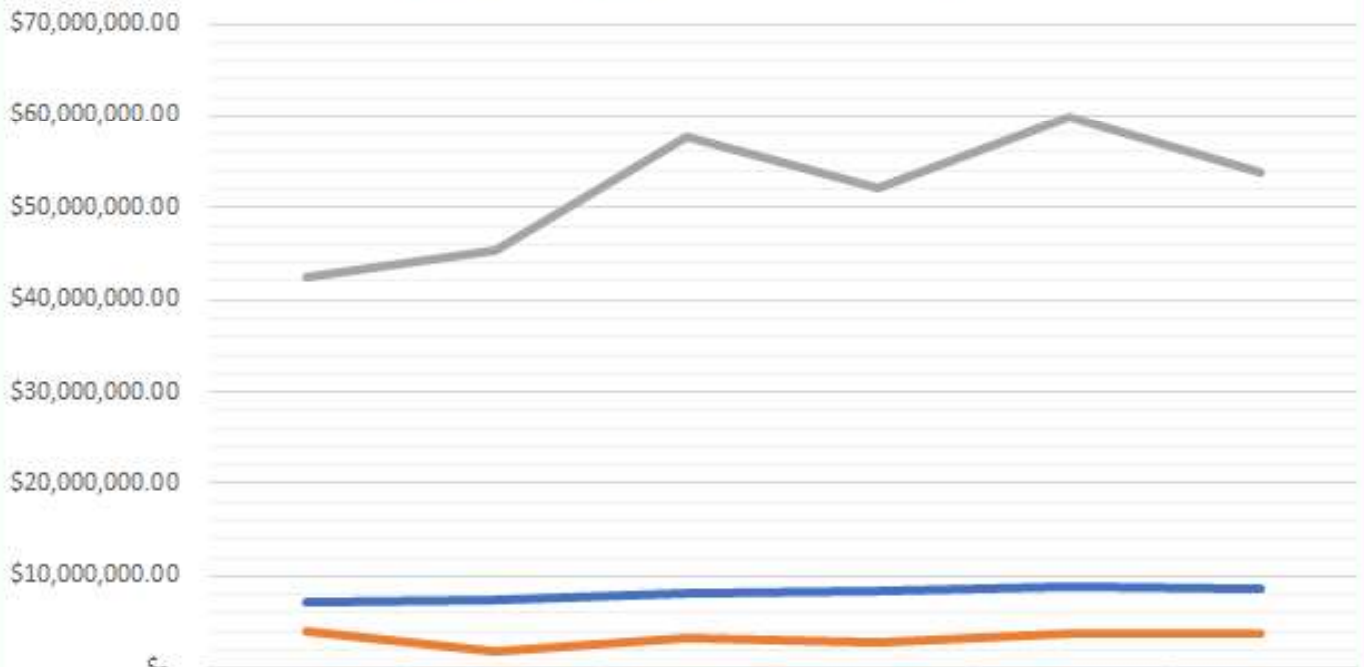


	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 YE Projections	FY 2023 Amended Budget	FY 2024 Proposed Budget
Electric-Other Sources of Revenue						
Disp of Fixed Assets	\$ 1,960.00	\$ 6,125.00	\$ -	\$ 3,659.00	\$ -	\$ -
Sale of Surplus Material	\$ 1,479.71	\$ 20,888.06	\$ 1,531.00	\$ 16,174.00	\$ -	\$ -
Settlements	\$ -	\$ 11,358.47	\$ 859.00	\$ 301,412.00	\$ -	\$ -
FDOT-Reimbursement	\$ 178,312.32	\$ 183,661.20	\$ 189,169.00	\$ -	\$ 194,844.00	\$ 200,689.00
Other Source of Income	\$ 14,873.23	\$ 516,954.61	\$ 222,697.00	\$ 4,327.00	\$ 30,000.00	\$ 30,900.00
CAIC	\$ 144,376.67	\$ 86,312.74	\$ 154,953.00	\$ 359,540.00	\$ 160,000.00	\$ 164,800.00
ARPA	\$ -	\$ -	\$ 220,860.00	\$ -	\$ -	\$ -
Water	\$ 381,310.00	\$ 381,310.00	\$ 381,310.00	\$ 381,310.00	\$ 381,310.00	\$ 539,374.65
Refuse	\$ 32,770.00	\$ 32,770.00	\$ 32,770.00	\$ 32,770.00	\$ 32,770.00	\$ 195,184.96
Local Sewer	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 378,622.78
Totals	\$1,055,081.93	\$1,539,380.08	\$1,504,149.00	\$1,399,192.00	\$1,098,924.00	\$1,509,571.40

ELECTRIC FUND EXPENSES

Electric Fund Expenses

Wages Benefits Operating



	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 YE Projections	FY 2023 Amended Budget	FY 2024 Proposed Budget
Wages	\$7,088,798.83	\$7,309,716.98	\$8,206,225.54	\$8,300,683.00	\$8,927,211.50	\$8,556,785.97
Benefits	\$3,957,493.67	\$1,961,147.64	\$3,310,407.00	\$2,847,865.00	\$3,742,568.33	\$3,722,226.68
Operating	\$42,482,918.2	\$45,430,376.5	\$57,773,255.0	\$52,045,725.3	\$59,835,003.0	\$53,708,541.9



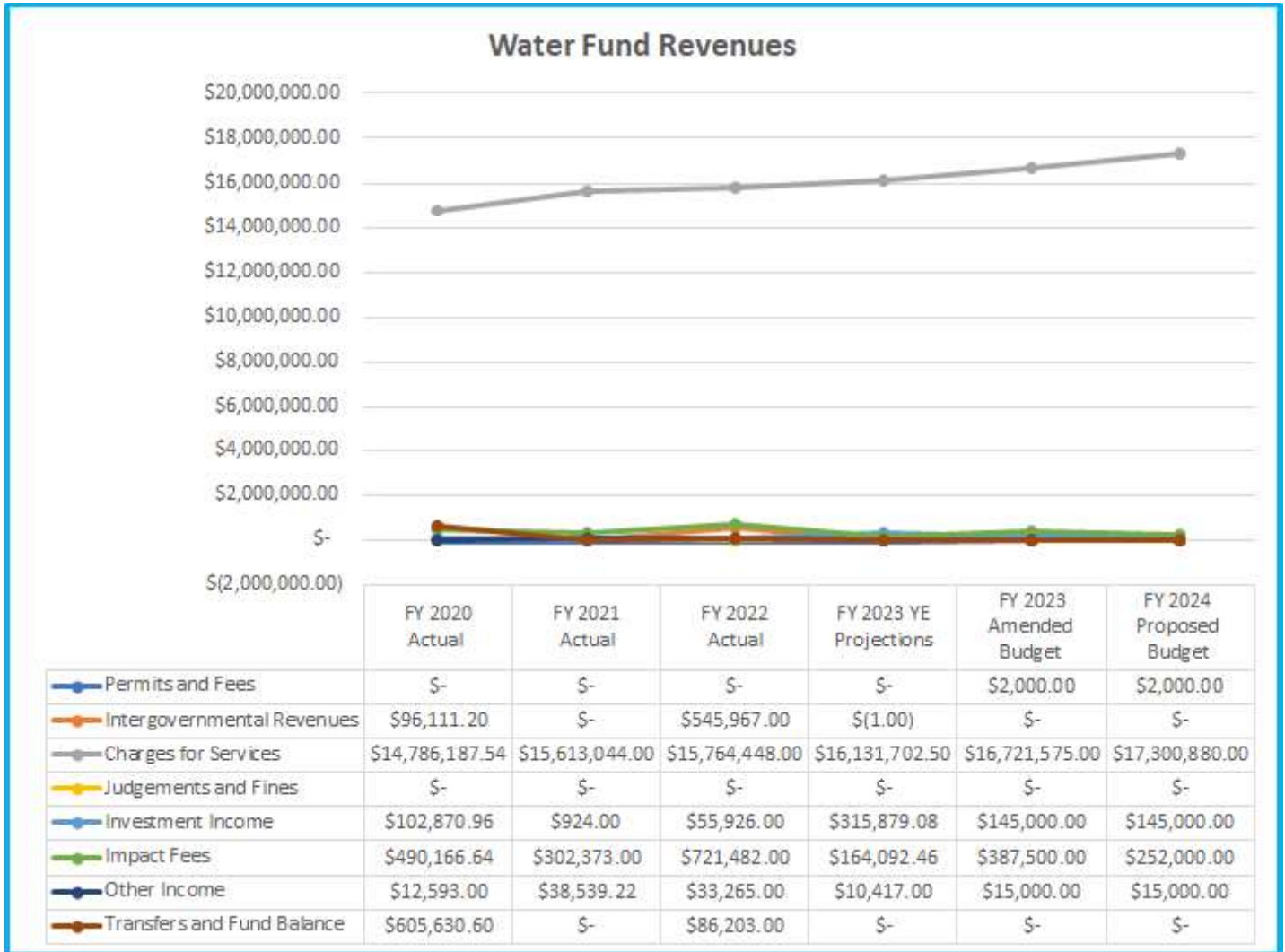
Water Fund

The Water Utility Fund activities consist of the following primary programs and services: Administration, Production, Treatment, and Distribution.

The following is the FY 2024 budget summary.



WATER FUND REVENUES



Water Fund Revenues Other Sources	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 YE Projections	FY 2023 Amended Budget	FY 2024 Proposed Budget
Disposition of Fixed Assets	\$12,593.00					
Other Sources of Income	\$ -	\$ 38,539.22	\$ 33,265.00	\$ 10,417.00	\$ 15,000.00	\$ 15,000.00

WATER FUND EXPENSES

Water Fund Expenses

\$14,000,000.00
 \$12,000,000.00
 \$10,000,000.00
 \$8,000,000.00
 \$6,000,000.00
 \$4,000,000.00
 \$2,000,000.00
 \$-

	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 YE Projections	FY 2023 Amended Budget	FY 2024 Proposed Budget
Wages	\$2,627,476.52	\$2,681,469.07	\$2,609,579.00	\$2,391,258.35	\$2,881,013.50	\$2,881,837.59
Benefits	\$1,710,420.84	\$800,201.69	\$1,178,729.00	\$1,075,226.88	\$1,438,858.38	\$1,463,378.38
Operating Expenses	\$10,497,691.45	\$12,536,706.62	\$12,738,897.74	\$12,549,314.43	\$10,595,229.00	\$12,927,538.22

— Wages — Benefits — Operating Expenses

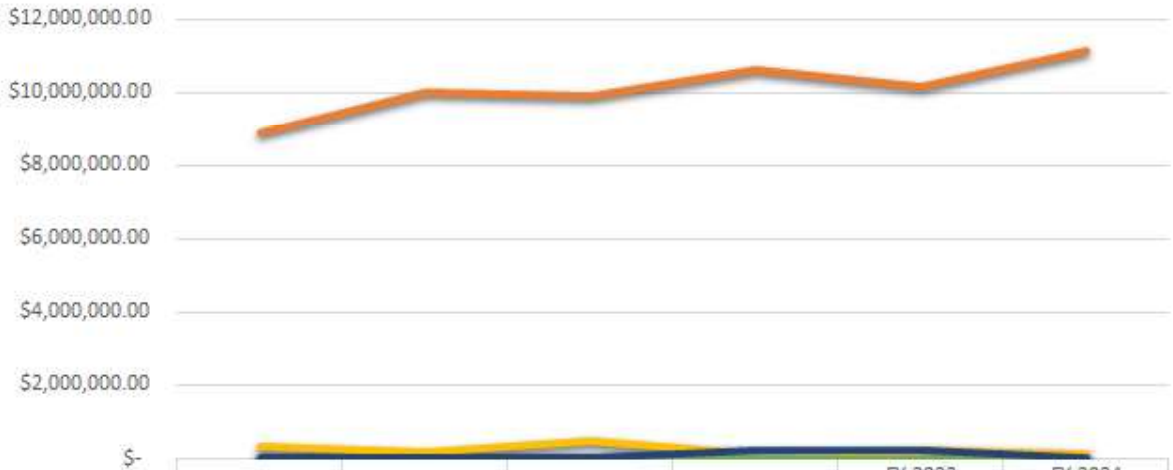


Local Sewer Fund

The Local Sewer Utility Fund activities consist of the following primary programs and services: Administration, Pumping, and Collections.

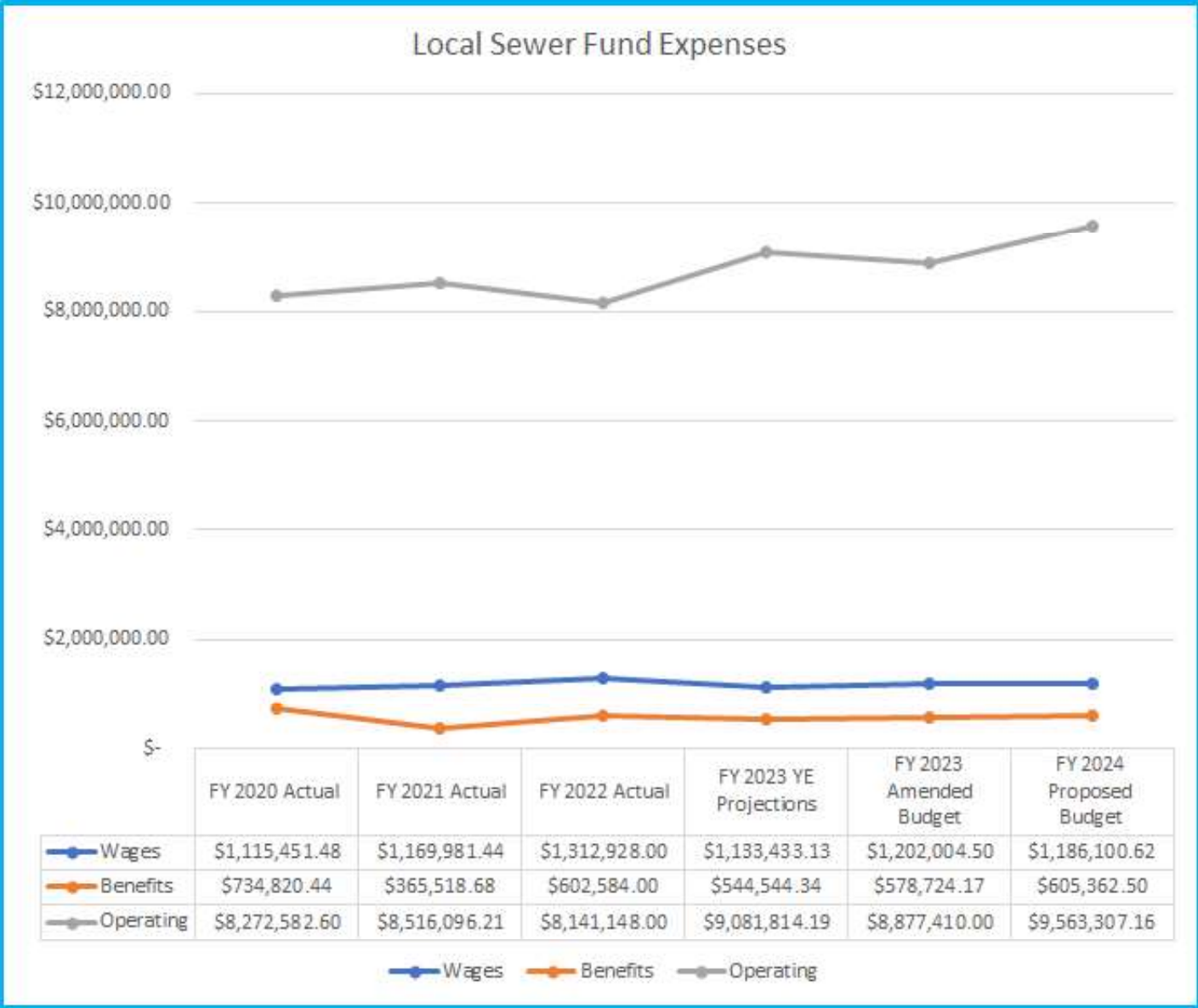
LOCAL SEWER FUND REVENUES

Local Sewer Fund Revenues



	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 YE Projections	FY 2023 Amended Budget	FY 2024 Proposed Budget
Charges for Services	\$8,909,525.09	\$10,008,259.9	\$9,935,283.00	\$10,616,044.1	\$10,152,602.0	\$11,163,682.2
Investment Income	\$555.38	\$331.96	\$10,177.00	\$101,710.49	\$25,000.00	\$50,000.00
Impact Fees	\$311,477.45	\$167,094.72	\$473,062.00	\$124,754.58	\$247,500.00	\$142,000.00
Other Income	\$-	\$22,160.23	\$-	\$6,954.05	\$-	\$-
Transfers from other Sources	\$-	\$-	\$36,795.00	\$-	\$-	\$-
Use of Fund Balance	\$-	\$-	\$-	\$250,000.00	\$250,000.00	\$-

LOCAL SEWER FUND EXPENSES



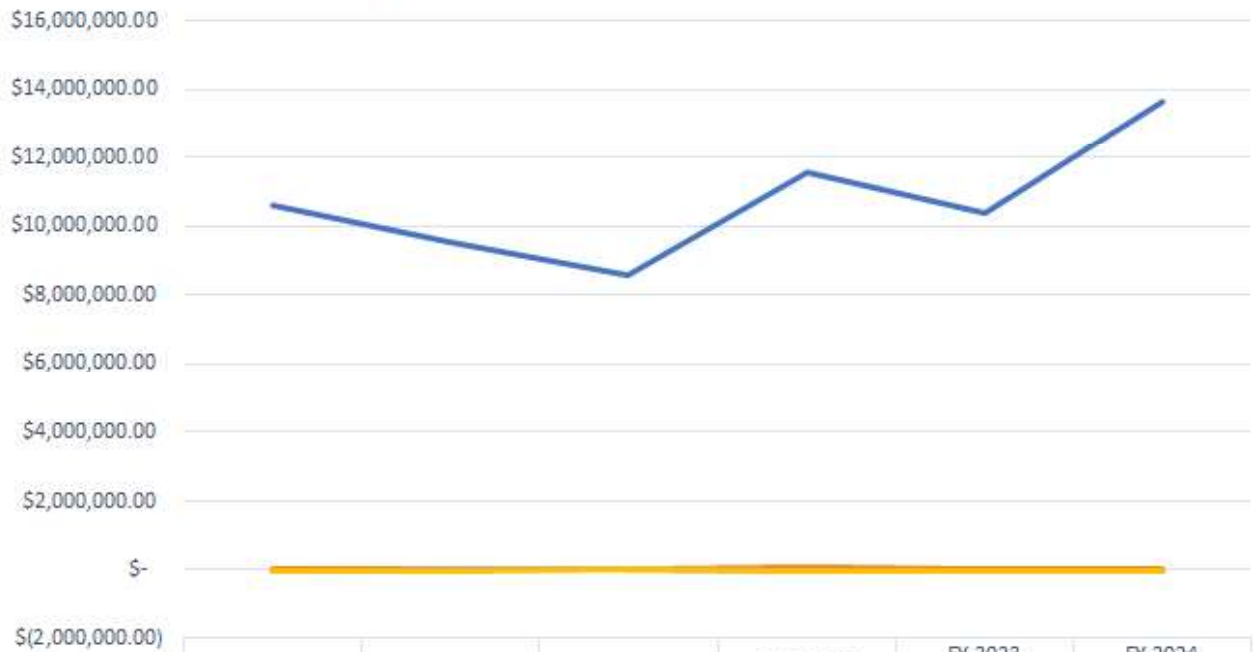


Regional Sewer Fund

The mission of the Regional Sewer division is to ensure the environmentally safe transfer of sanitary sewerage from our City and surrounding contract customers to the Palm Beach County sanitary sewer shared force main and then on to the East Central Regional (ECR) Wastewater Treatment Facility for treatment.

REGIONAL SEWER FUND REVENUES

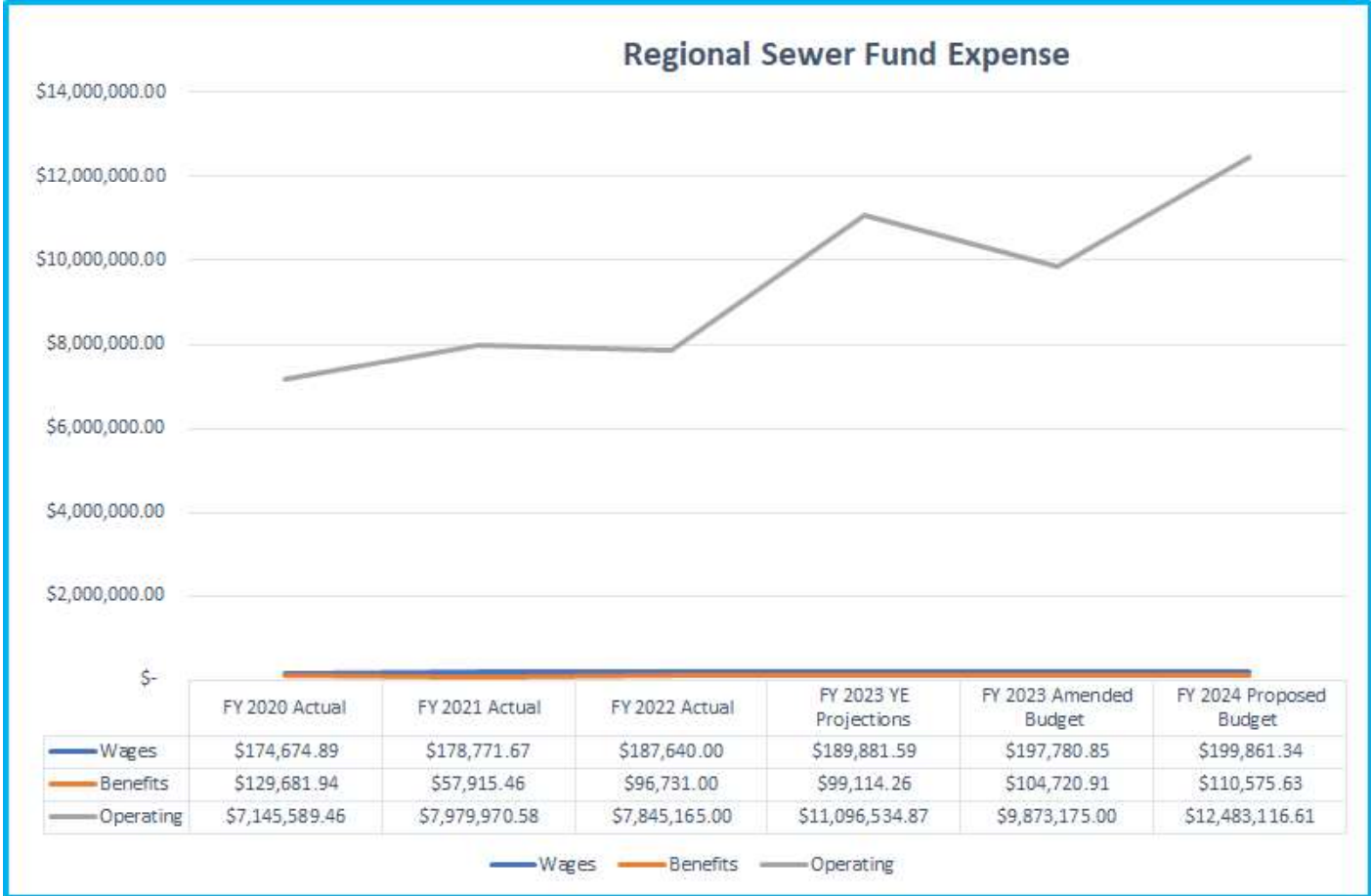
Regional Sewer Fund Revenue



	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 YE Projections	FY 2023 Amended Budget	FY 2024 Proposed Budget
Charges for Services	\$10,607,742.11	\$9,532,061.68	\$8,583,388.00	\$11,579,118.00	\$10,368,052.00	\$13,665,088.00
Investment Earnings	\$10,321.05	\$(1,105.06)	\$5,078.00	\$62,940.97	\$-	\$-
Other Income	\$-	\$2,207.18	\$3,749.00	\$-	\$-	\$-
Transfers	\$-	\$-	\$2,503.00	\$-	\$-	\$-

— Charges for Services
 — Investment Earnings
 — Other Income
 — Transfers

REGIONAL SEWER FUND EXPENSES



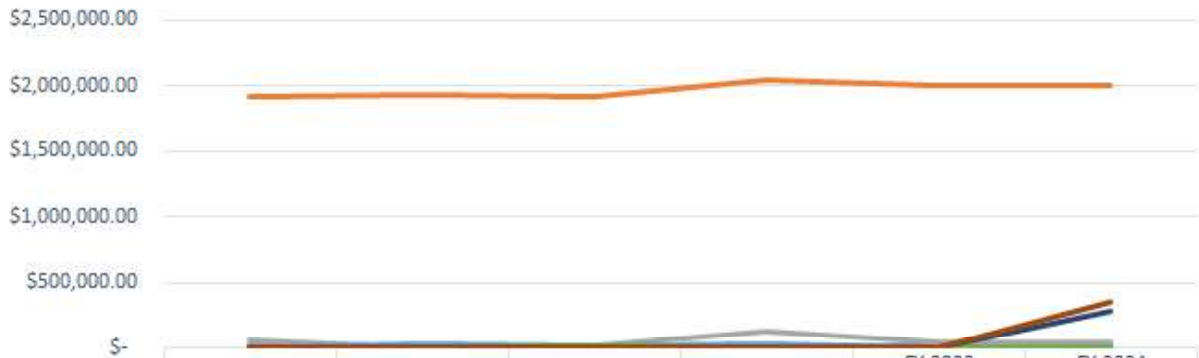


Storm Water Fund

The mission of the Stormwater division is to ensure the collection, treatment and pollutant-free discharge of stormwater in a timely manner from all City owned property and right-of-way, with consistent quality and minimal interruption, by providing maintenance, construction and emergency repairs to these stormwater piping systems throughout the City.

STORM WATER FUND REVENUES

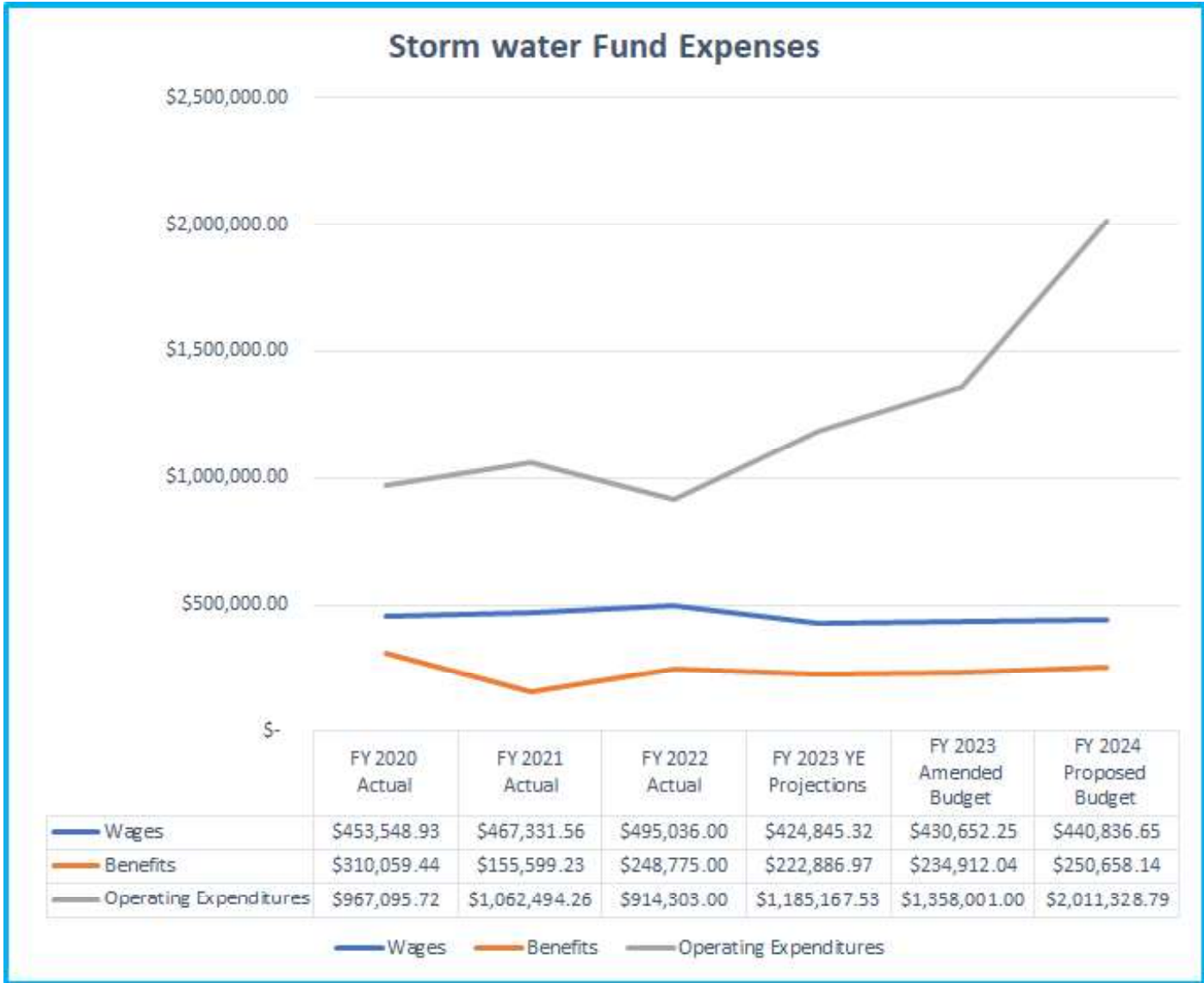
Storm Water Fund Revenues



	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 YE Projections	FY 2023 Amended Budget	FY 2024 Proposed Budget
Taxes	\$13,341.21	\$6,219.02	\$4,088.00	\$3,516.34	\$13,000.00	\$13,000.00
Charges for Services	\$1,917,221.92	\$1,930,476.83	\$1,919,559.00	\$2,050,940.76	\$2,000,467.00	\$2,000,467.00
Investment Income	\$54,862.87	\$6,621.44	\$26,018.00	\$137,983.30	\$54,150.00	\$54,150.00
Dispositon of Fixed Assets	\$-	\$-	\$-	\$1,470.00	\$-	\$-
Other Income	\$11,792.95	\$35,666.10	\$24,713.00	\$27,404.94	\$-	\$-
Transfers		\$-	\$15,275.00	\$-	\$-	\$-
Use of Fund Balance	\$-	\$-	\$-	\$-	\$-	\$286,966.00
Grants	\$-	\$-	\$-	\$-	\$-	\$352,500.00

- Taxes
- Charges for Services
- Investment Income
- Dispositon of Fixed Assets
- Other Income
- Transfers
- Use of Fund Balance
- Grants

STORM WATER FUND EXPENSES





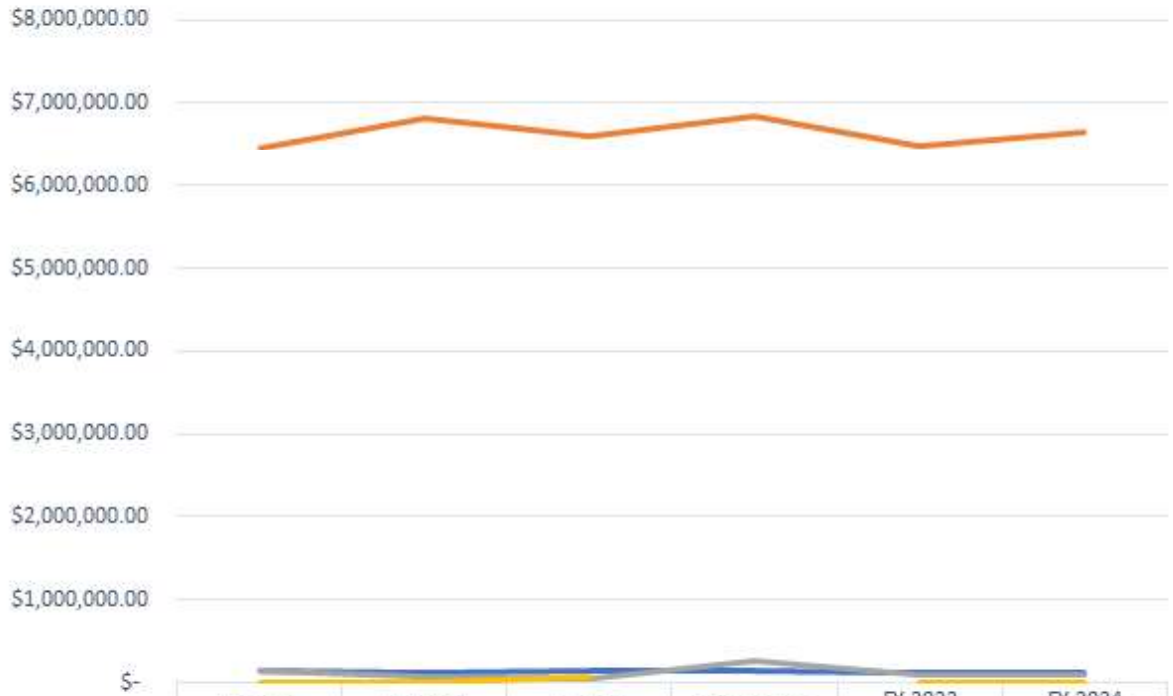
Refuse Fund

The mission of the Refuse division is to provide exceptional service to the customers and public through on-time collection, recycling education and maintaining a litter free City.

The Refuse Fund activities consist of the following primary programs and services: Collections, Commercial, Recycling, and Roll Offs.

REFUSE FUND REVENUES

Refuse Fund Revenues



	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 YE Projections	FY 2023 Amended Budget	FY 2024 Proposed Budget
Taxes	\$136,316.57	\$125,415.96	\$146,124.00	\$138,890.00	\$128,900.00	\$128,900.00
Charges for Services	\$6,453,500.16	\$6,829,254.84	\$6,598,358.00	\$6,834,144.00	\$6,475,423.00	\$6,664,073.00
Investment Income & Other	\$136,486.23	\$73,605.59	\$52,463.00	\$253,621.00	\$95,250.00	\$95,250.00
Transfers and Fund Balance	\$-	\$-	\$78,253.00		\$-	\$-

— Taxes
 — Charges for Services
 — Investment Income & Other
 — Transfers and Fund Balance

REFUSE FUND EXPENSES

