

July 27, 2022

Honorable Mayor and City Commissioners

Letter of Transmittal; Fiscal Year 2023 Proposed Operating and Capital Budgets

Mayor;

Before you for consideration are the Cities proposed Operating and Capital Budgets for fiscal year 2023; October 1, 2022 – September 30, 2023. These include all funds categorized by:

- Governmental and Special Activity Funds, including;
 - General Fund
 - Building Permit Fund
 - Beach Fund
 - Code Remediation Fund
 - Golf Fund
 - IT Internal Service Fund
 - Garage Internal Service Fund
 - Self-Insurance Internal Service Fund
 - Employee Benefit Internal Service Fund
 - Debt Service Fund
- Enterprise Funds, including;
 - Electric Fund
 - Water Fund
 - Local Sewer Fund
 - Regional Sewer Fund
 - Stormwater Fund
 - Refuse Fund

I would like to report that all the operating budgets for the City's various funds are balanced, provide level services as compared to fiscal year 2022 and reflect the department's commitment to provide City residents with quality municipal services. Finally, with a commitment to embracing GFOA best practices, and with a focus on sound municipal fiscal stewardship, I would like to emphasize that the submitted budgets were prepared using a disciplined budget approach while emphasizing professional, transparent, and conservative budgetary standards.

The assumptions used to develop the operating budgets, as provided earlier, in summary include:

Budget Parameters:

- Zero Base budgeting- each budgetary control line number is developed, and substantiated, by providing a detail itemization of expenditures/contracts.

Exceptions include; utilities, charge backs, and other generalized expenditures. Also, each line number exceeding \$5K requires zero-based itemization.

- Level Service Budget – the same programs and the same level of service as the previous fiscal year.
- Supplemental Budget Requests, any new programs, or an increase in a line number appropriation, requires the submission of a Supplemental Budget Request providing the rationale for the increase.

Revenue Assumptions:

- Property Taxes:
- CRA- same as property tax.
- Intergovernmental Revenues; Pass-throughs: analytical based on prior year activity, year-to-date activity and previous year's average activity.
- Local Receipts- same as intergovernmental plus department input.
- PILOT/Franchise Fees- 8% of total income- per policy
- Indirect Charge Backs. Per policy, the charge back for costs incurred in other departments that provide benefits to outside departments is based on percentage of operating plus capital budgets. The cost to be allocated to outside departments include services provided by the following department's operating expenditures

Expense Assumptions:

- Salaries and Benefits
 - Salaries- 3% increase over FY 2022
 - No new positions- reflected / captured with supplemental requests
 - Defined Benefit Pension Costs- per actuarial, 3% estimate but final amount based on Annual Required Contribution
- General Liability Insurance, 15% increase

Like the City's operating budgets, the City's Capital Appropriation Budget and Five-Year Plan focuses on prudent capital infrastructure investment in order to maintain current assets. Because the City continues to wrestle with sufficient funding capacity combined with a back-log of deferred maintenance responsibilities, the projects identified in the CIP are primarily lifecycle projects.

When evaluating funding solutions for capital projects, it is recommended that the decisions be based using CIP ranking and criteria. This schedule is provided at the end of the transmittal letter, but in summary, categories include: Project Category, Risk Assessment, Financing Strategic Plan Alignment, Cost/Benefit, Operating Budget Impact, Service Levels, Consolidation of Services, Community and Economic Impact.

Budget Process

To date, the City Manager and Finance has had ongoing discussions with departmental staff and Commissioners using the preliminary submission as the basis of discussion. Also, and as you may recall, the preliminary budget was presented to the full City Commission at Budget Workshop I. From these conversations, the preliminary budgets and CIP were revised along with the Supplemental Budget Requests. It is intended that the revised preliminary budget as

“Proposed” will provide opportunities for the City Commission and residents to provide input on the development of the final annual budget.

There are three budget workshops scheduled for; August 1st, 11th and 15th, and potentially a forth workshop scheduled for August 25th. After the workshops are concluded, two public hearings are scheduled for September 8th and 22nd.

Budget Overview

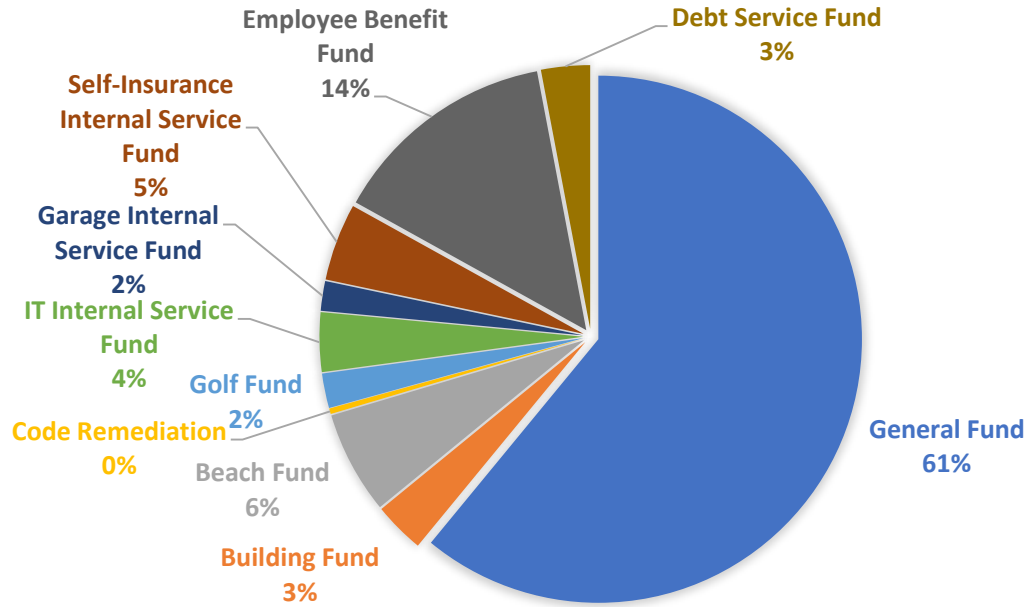
Below is a summary of the Proposed FY 2023 operating budget for the City Commission’s review and consideration. The total FY 2023 operating budget for all funds totals \$184,153,625- see below.

Fiscal Year 2023 Budget Summary

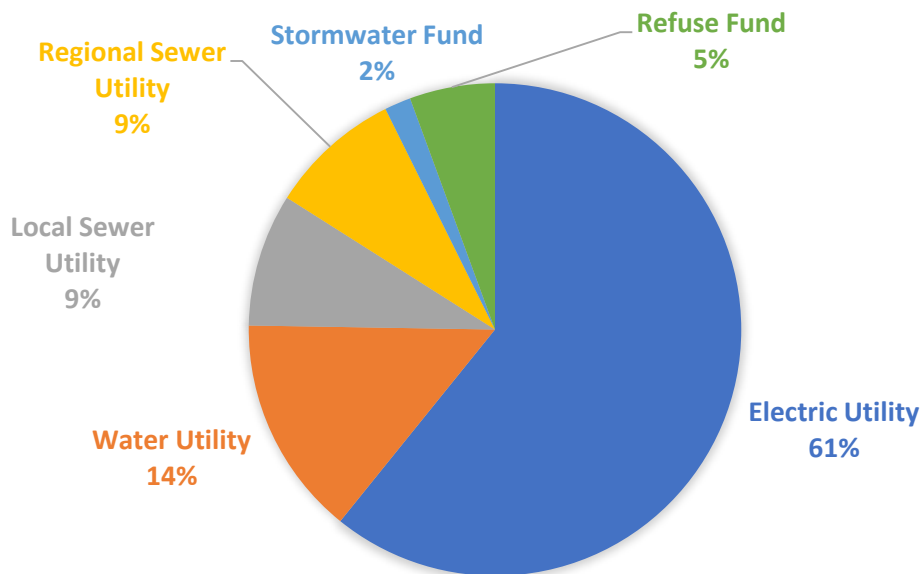
Fund	Revenues	Expenditures	Net Revenue
Governmental Funds			
General Fund	43,920,753	43,366,701	554,052
Building Fund	2,252,000	2,237,717	14,283
Beach Fund	4,543,949	4,418,629	125,320
Code Remediation	244,000	208,000	36,000
Golf Fund	1,528,500	1,526,425	2,075
IT Internal Service Fund	2,621,555	2,613,279	8,276
Garage Internal Service Fund	1,308,910	1,307,876	1,034
Self-Insurance Internal Service Fund	3,420,073	3,280,208	139,865
Employee Benefit Fund	10,050,259	10,014,220	36,038
Debt Service Fund	2,159,088	2,159,088	0
Total Governmental Funds	72,049,086	71,132,144	916,942
			0
Enterprise Funds			
Electric Utility	72,668,273	70,093,166	2,575,107
Water Utility	17,271,075	14,233,347	3,037,728
Local Sewer Utility	10,425,102	10,358,425	66,677
Regional Sewer Utility	10,368,052	10,167,469	200,583
Stormwater Fund	2,067,617	2,031,800	35,817
Refuse Fund	6,699,573	6,137,275	562,298
Total Enterprise Funds	119,499,692	113,021,481	6,478,211
			-
Total City Appropriation	191,548,779	184,153,625	7,395,154

Below are charts that reflect spending by fund for Governmental Fund and Enterprise Fund groups.

FY 2023 BUDGETED REVENUE GOVERNMENTAL FUNDS



FY 2023 BUDGETED REVENUE ENTERPRISE FUNDS



General Fund

Budgetary Summaries and Departmental Overviews

Budget Summary

Revenues: Tax Levy / Millage Rate

Overall, as compared to the previous year, general fund revenues increased \$3,597k, or 8.92%, to \$43,921k. The primary driver of this increase is attributable to property tax revenues. Property tax revenues increased 12% over the previous year, or by \$1,207K.

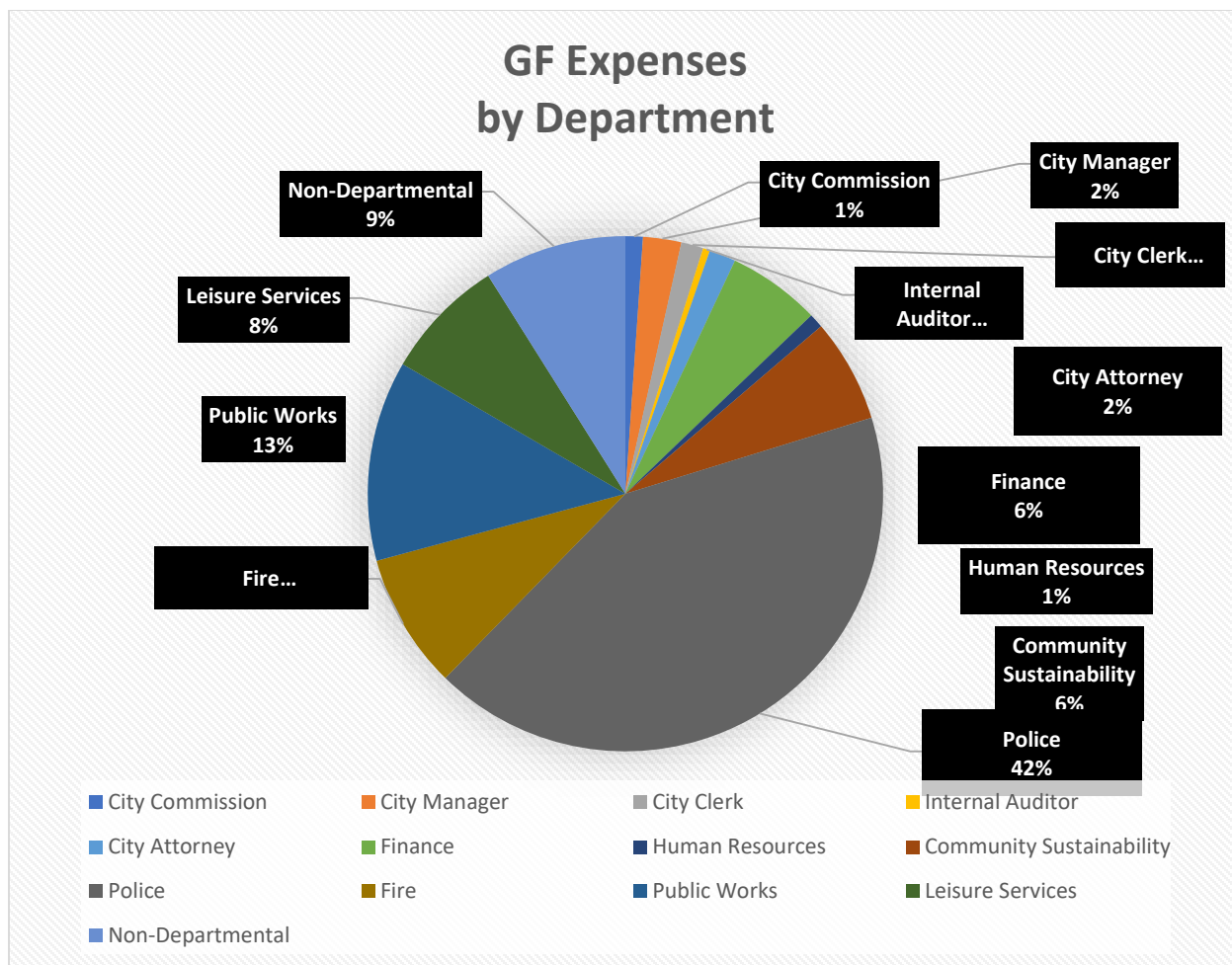
The City's proposed budget reflects the same millage rate of 5.4945 mils and Municipal Service Taxing Unit (MSTU) of 3.4581 mils as the FY 2022 budget. The proposed City of Lake Worth Beach property tax rate is 5.4945 (\$5.4945 per \$1,000 of property value). As noted above, the FY 2023 budget maintains current service levels, and wherever possible, management continues to look for opportunities to improve efficiencies and productivity in the reorganization of its departments and infrastructure planning of capital projects.

Departmental Expenditures

General Fund

City Commission	473,695
City Manager	1,041,537
City Clerk	602,823
Internal Auditor	190,096
City Attorney	725,108
Finance	2,528,948
Human Resources	393,793
Community Sustainability	2,816,644
Police	18,250,324
Fire	3,684,536
Public Works	5,455,779
Leisure Services	3,327,683
Non-Departmental	3,875,736
Total General Fund Budget	<u>43,366,701</u>

See Chart Below

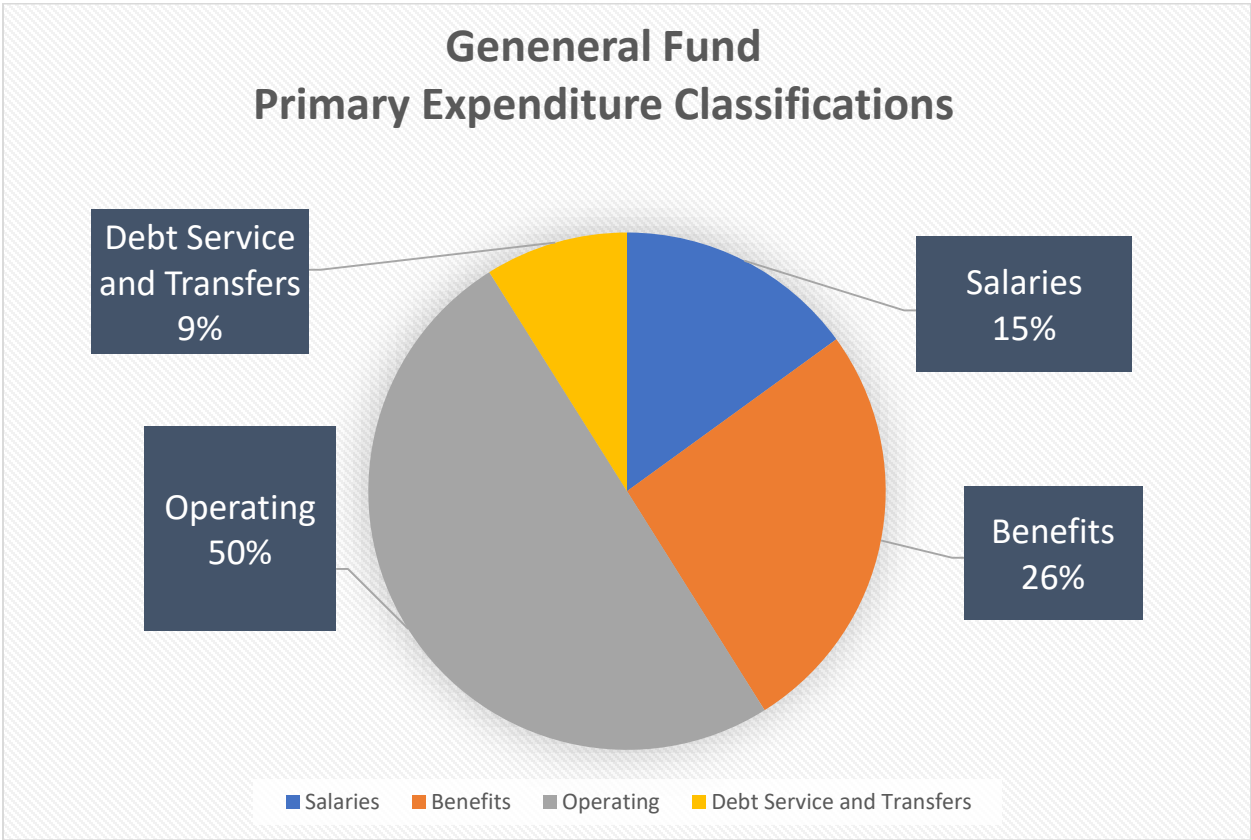


General Fund Expenses by Category

	Salaries	Benefits	Operating	Total	Full Time Equivalents
City Commission	127,500	77,460	268,735	473,695	5
City Manager	544,878	238,044	258,615	1,041,537	4
City Clerk	243,409	127,308	232,106	602,823	5
Internal Auditor	121,147	39,753	29,196	190,096	1
City Attorney	0	0	725,108	725,108	0
Finance	1,458,233	680,114	390,601	2,528,948	17
Human Resources	169,321	84,239	140,233	393,793	2
Community Sustainability	1,398,592	809,143	608,909	2,816,644	26
Police		3,951,568	14,298,756	18,250,324	0
Fire		3,632,101	52,435	3,684,536	0
Public Works	1,571,691	1,017,508	2,866,580	5,455,779	34
Leisure Services	875,847	644,266	1,807,570	3,327,683	18
Non-Departmental			3,875,736	3,875,736	0
Total General Fund Budget	6,510,618	11,301,504	25,554,579	43,366,701	113

General Fund Expenses by Category- Summary

Salaries	6,510,618
Benefits	11,301,504
Operating	21,678,843
Debt Service and Transfers	3,875,736
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	43,366,701

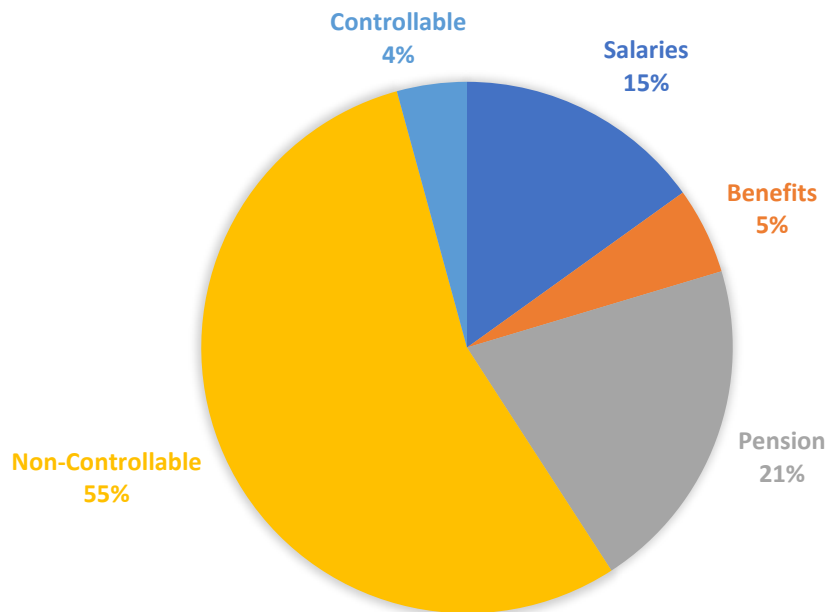


General Fund Expenses- Controllable versus Non-Controllable

Salaries	6,543,697
Benefits	2,289,394
Pension	8,882,530
Non-Controllable	23,806,365
Controllable	<u>1,844,714</u>
Total	<u>43,366,701</u>

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GENERAL FUND CONTROLLABLE VS. NON-CONTROLLABLE



General Fund Expenses- Staff Count by Department

Staffing Count	
City Commission	5
City Manager	4
City Clerk	5
Internal Auditor	1
Finance	17
Human Resources	2
Community Sustainability	26
Public Works	34
Leisure Services	18
	<hr/>
	113

Department Overviews

City Manager's Office

The City Manager's Office focuses on ensuring the proper execution of the City Commission's policies in an efficient and cost-effective manner. The City Manager's office directs and assists City departments in the successful implementation of the City Commission's priorities. Along with ensuring the successful achievements of the City Commission's priorities, the City Manager's office is also responsible for providing general management of all City departments in a manner that inspires success and quality customer service. The City Manager serves as the primary liaison between the City Commission and staff and is responsible for ensuring effective communication between Lake Worth Beach employees, residents, and City Commissioners. Through regular meetings with City Commissioners, residents, department Directors and other key stakeholders, the City Manager works to ensure the City continues to progress in a manner that is both positive and in line with the will of the community in the City workforce that will directly & indirectly benefit the taxpayers of the City of Lake Worth Beach.

Positions

- City Manager
- Assistant City Manager
- Strategic Project Manager
- Executive Assistant to the City Manager
- Executive Assistant to the City Commissioners

City Clerk's Office

The City Clerk's office is working together to cooperate with and assist all City departments, City Commission, and general public, in gathering and disseminating information within the boundaries of federal, state, and local laws in order to effectively and efficiently grow, change, and become one with all departments in the City.

The City Clerk's office is mandated by the City Charter and is responsible for the proper administration of all affairs of the City relating to recordkeeping. The City Clerk attends all official City Commission Meetings and keeps minutes of its proceedings. The City Clerk also

serves as the custodian of the City's corporate seal and of all records and papers of a general or permanent character pertaining to the affairs of the City. The City Clerk attests all executory contracts made on behalf of the City. The City Clerk is expected to preserve, file and index all contracts, deeds and other records to which the City is a party, and must furnish those records to the City Commission or City Manager upon request. The City Clerk is also responsible for writing and submitting legal advertisements in accordance with Chapter 166 of Florida Statutes. The City Clerk serves as the local Supervisor of Elections and official Filing Officer in all matters concerning the annual planning, coordinating, and overseeing the City's Municipal General and, if necessary, Run-Off Elections. In that role, the City Clerk maintains an effective system of internal accounting and administrative control. It takes months to organize and prepare this key element in the democratic process, which is essential for a successful outcome. The City Clerk publishes the agendas, backup and minutes for all City Commission regular, special, electric utility and work session meetings. The City Clerk's Office issues certificates of registered domestic partnerships and filing amendments and/or terminations of registered domestic partnerships. The City Clerk's Office is responsible for managing and distributing the City's public records in compliance with Chapter 119 of Florida Statutes. Staff is required to have extensive knowledge and understanding of Florida Statute exemptions in order to protect the City from releasing records protected under Chapter 119. Responsibilities include analyzing which department(s) may have possession of public records, collecting records, redacting information exempt from Florida Statutes, and invoicing and collecting revenue from public record requests. This also includes presenting public records seminars several times a year for various departments. Finally, The City Clerk's Office is responsible for coordinating with Utilities Customer Service, Finance Department, Building Division, and Code Compliance staff in researching all lien search requests for utilities accounts, outstanding miscellaneous debt, open building permits, code enforcement violations, and City assessments and liens. Certificates of lien search results are issued to all requestors.

Positions

- City Clerk
- Deputy City Clerk
- Executive Assistant
- Clerical Assistant - PT

Internal Auditor

The goal of the internal auditor is to provide a high standard of internal audit services to the City Commission, City Departments, and City Management by conducting audit work associated with the following areas: risk management, Internal control improvement and assurance, governance; and fraud prevention. By performing audits of City operations and contracts, the Internal Auditor will:

- Provide public accountability for the use of City tax dollars;
- Provide a mechanism to investigate suspected fraud, waste and abuse; and
- Serve as an independent, objective source of information and advice for the City Commission on matters of financial and operational importance.

The Internal Auditor will conduct an Annual Risk Assessment, identifying areas of risk that could negatively impact the City's ability to achieve its objectives. The Annual Risk Assessment allows the Internal Auditor to prioritize where audit work will be conducted. The Internal Auditor will create an Annual Audit Plan which identifies internal audits to be started during the current year. The Internal Auditor will conduct internal audits in accordance with the Internal Audit Charter.

An Audit Report is the output of each planned audit. The Audit Report documents audit findings, and recommendations - with the ultimate objective of audit work falling under either of the following:

- Change. The City's processes will improve based on enhanced internal control of risks and/or increased efficiency; or
- Assurance. The City Commission is provided assurance that internal controls and processes are functioning as intended.

Positions

- City Auditor

City Attorney

The office of the City Attorney is committed to protecting the legal interests and assets of the City, with the highest level of professionalism and ethics and is dedicated to serving the City of Lake Worth Beach for the benefit of its citizens. The office of the City Attorney provides legal counsel to the City Commission, City boards and committees, City Manager, City Clerk and all City departments. The City of Lake Worth Beach has currently contracted all legal services with Torcivia, Donlon, Goddeau and Ansay Of West Palm Beach.

The City Attorney is a Charter officer responsible for providing legal counsel and representation to the City Commission, City Manager, City Clerk and all City departments.

The City Attorney provides legal counsel to the City Commission:

- for the Commission's legislative actions and their quasi-judicial responsibilities
- by preparing ordinances, resolutions, contracts and referendum questions as directed by the City Commission
- on all matters coming before the Commission and on specific requested issues, which include, but are not limited to, contract, ethics, public records and sunshine law matters.

The City Attorney assists City department directors in the preparation of their ordinances, resolutions, leases and contracts. The City Attorney provides legal advice and negotiations on purchasing, contract and bidding matters. The City Attorney represents the City in code enforcement cases and appeals, foreclosures of City liens and nuisance abatement proceedings. The City Attorney represents the City in planning, zoning, building and land use issues. The City Attorney prosecutes and defends the City in various actions in the federal and state civil trial courts, the appellate courts and in administrative hearings and prosecutes all City ordinance violations in county criminal court, which includes attendance at arraignments, hearings and trials. The City Attorney represents the City in labor negotiations, arbitrations, grievance proceedings, pensions and other types of personnel and benefits matters and oversees litigation matters where the City is represented by outside counsel.

Positions

- Services are provided via a professional services contract.

Financial Services

The mission of the Financial Services Department is to provide competent and comprehensive financial services for the City Administration to enable all departments to work in the best interests of our community and to foster innovative solutions achieving an outstanding level of service. Financial Services manages the City's financial resources in the most cost effective and efficient manner. The Department provides relevant, timely financial, cash management, debt

information to the public, decision makers and to City management. Financial Services is responsible for the systems of financial policies, debt management, internal controls, accounting, general ledger, financial reporting, accounts payable, payroll, grant management, procurement and budgeting.

All *accounting and financial reporting* for the City occurs in the Financial Services department, including internal reports for use by elected officials, management of the City and CRA, as well as external reporting (including the Annual Financial Report and reports required by State and Federal Agencies). Within the Financial Services department, the *budget* team develops, implements and evaluates the plan for the provision of goods and services and capital assets to ensure compliance with all State of Florida laws governing municipal budgets. In coordination with City departments, Financial Services develops and updates the Five (5) Year *Capital Improvement Plan* (CIP). The budget relies on and incorporates forecasts and multi-year budget plans to best develop sound and strategic City-wide budgetary practices. Financial Services proposes the Annual Operating Budget for adoption in September. The department is responsible for the City's *cash management*, including managing all cash functions for the City and CRA including daily positive pay functions, cash movements among the City and CRA bank accounts, monitoring the investment portfolio and reconciliation of all accounts. The Financial Services department leads the City in all *bond and debt financing*, including all debt covenant compliance issues as well as debt service payments. The department handles payroll processing for all City employees, including deduction and fringe benefit processing and payment and Federal tax remittance and reporting. Financial Services processes all City and CRA expenses. Financial Services is responsible for *fixed assets*, including; working in coordination with City departments to record and track the land, buildings, infrastructure and equipment belonging to the City. Financial Services administers the financial portions of all *grants*, including FEMA and ARPA, received by the City and ensures financial compliance documentation is correct and provided to the granting entity on time. Compliant to the guidelines, Financial Services coordinates the annual audit of the various grants received by the City. Financial Services centralizes all *procurements* for the City following established purchasing guidelines. The Purchasing division within the department creates and issues all requests for qualifications, requests for proposals and bid specifications. Subsequently, staff reviews and approves all City purchase orders prepared by the user departments. Financial Services manages all *revenue collections* for the City and CRA, including billing and collection for all general City revenues. In addition, the department oversees cash collection activities of all departments.

Positions

- Administration
 - Director
- Financial Reporting and General Ledger / Accounting / Fixed Assets
 - Assistant Director- Accounting
 - Controller
 - Accountant III
 - Accountant III
 - Accountant II
 - Accountant I
- Budget
 - Budget Manager
- Grant and FEMA Administration
 - Accountant II
 - Grants Analyst / Temp - PT

- Accounts Receivable
 - Office Manager
- Payroll
 - Accountant I
- Accounts Payable
 - Accountant I
- Cash and Debt Management
 - Accountant II
- Purchasing
 - Assistant Director- Purchasing
 - Purchasing Agent II
 - Purchasing Agent

Human Resources Department

The Human Resources (HR) department supports all other City departments through the implementation and management of comprehensive employee benefit programs, development and administration of safety and workers' comp programs, ensuring compliance of current and personnel policies and procedures, supervision of performance and compensation programs, and support of all employee related issues. Development and administration of these programs in one office ensures consistency and objectivity in their administration. Human Resources works to ensure all other City departments have the necessary resources and support to best manage their human capital. Our department provides centralized personnel administration and record keeping, background screening, training and development programs, collective-bargaining support, workers' compensation case management, and uniform application and consideration of State and Federal labor laws and of the City's Personnel Rules and Regulations. Our department strives to stay abreast of all state and federal legal changes in order to ensure full compliance across the City.

The Human Capital division is responsible for the acquisition and retention of qualified employees for a variety of positions required to provide City services to residents. The Human Capital division serves as the official custodian of physical records and personnel files. This division is also responsible for the general maintenance of electronic employee file information through the City's ERP system. Human Capital also facilitates employee development and training opportunities to ensure employees have the skills necessary to perform their duties effectively and efficiently. This division is responsible for recruiting volunteers, accepting Volunteers in Public Service (VIP) applications, and coordinating and assigning VIP members to various departments and divisions throughout the City. Ultimately, the Human Capital associates focus on maintaining a work environment that inspires and empowers employees to contribute to their maximum potential to provide Best in Class service to the residents of the City of Lake Worth Beach.

The Employee Benefits division is charged with managing all employee benefits including health, dental, vision, life, flexible spending accounts, and retirement plans. The division works closely with Financial Services to provide the highest quality benefits possible while ensuring the cost associated with the provision of benefits remains affordable. Furthermore, this division works to ensure that City employees become educated consumers of their benefit plans to maximize effective utilization of the plans and minimize cost to the employees and the City. This division executes a comprehensive wellness program and holds an annual employee health fair to target preventative initiatives that will lower the City's health insurance experience rating.

The Risk Management division is responsible for ensuring a safe working environment for all Lake Worth Beach employees and visitors to City owned facilities and properties. The division oversees programs that reduce costs, including the cost of accidental losses, insurance premiums, loss control and administrative costs associated with liability claims or subrogated damage claim recovery. Risk Management ensures safety, security and wellbeing of all employees. The Risk Management division attends all departmental safety meetings and leads the City-wide Employee Safety Task Force which takes steps to ensure effective departmental safety practices are in place, followed and where required, Personal Protective Equipment provided and utilized throughout the organization. The Safety Task Force enforces the current Safety Manual to ensure it conforms to all current legislation and best practices.

The primary responsibility of the Workers Compensation division is the evaluation, administration and renewal of workers' compensation insurance. The division also coordinates with third party claims administrators and adjustors for all active claims involving employee injuries; working with departments and third-party administrators to implement preventive safety measures; providing information to the State to maintain compliance with State Labor Laws; finding work for employees assigned to light duty, challenging questionable claims and budgeting for the City's insurance fund.

The Risk Management division is responsible for the administration of property and casualty insurance. The City has the following primary types of insurance: general liability, property, automobile, flood and underground storage tank liability. The division is in the process of obtaining cyber-security insurance. The division's major activities include the annual evaluation and renewal of all City insurance policies, coordination with various departments on accidents or other potential claims, evaluation of claims, determination of the proper deductible limits and retention levels for the City, coordination with the City Attorney on any claims that reach litigation status and budgeting for the City's insurance fund.

Positions – note; these positions are allocated between 3 funds; General, Benefits, and Insurance

- Director
- Human Resource Manager
- Human Resource Manager
- HR Generalist
- HR Generalist
- Sr. HR Generalist

FTEs'

- General- 2.25
- Benefits- 1.25
- Insurance- 2.50

Community Sustainability

The department develops and oversees the implementation of programs that impact the City's physical, historical, cultural and sustainable character as well as quality of life. Management of the programs requires close partnership with the City Manager and other City staff to keep the City Commission and citizens informed of progress being made and proposed private and public investments in the City. The primary mission of the department is to facilitate and process private investment to build the tax base, preserve its unique cultural, natural and historic assets, and offer a wide array of services to facilitate both healthy neighborhoods and a vigorous commercial sector.

The Administration Division is responsible for the overall direction and management of the Department and oversees four other divisions: Planning and Preservation, Community Code Compliance, Business License, and Building Services. The Division administers Federal, State Regional and County grant funded programs promoting sustainable development. It also serves as a one-stop location for all services related to investing in the City. Coordinate with other local agencies such as the Community Redevelopment Agency (CRA) as well as other municipal entities to improve the overall livability and attractiveness of the City for “Live, Learn, Work & Play”. Collaborate with County, Regional, State and Federal agencies to facilitate overall sustainability for the city.

Economic Development refers to the sustained, concerted actions of policymakers and communities that promote the standard of living and economic health of a specific area. It is a combination of quantitative and qualitative factors covering the development of human capital, critical infrastructure, regional competitiveness, environmental sustainability, social inclusion, health, safety, literacy, and jobs. Simply phrased, Economic Development is: live, play, learn, and work.

The primary mission of the Business License department is to foster a sustainable community that is economically diverse, stable and encourages systematic private and public investment to increase the tax base while providing a high quality of life that stimulates opportunities for “live, learn, work and play”. We strive to preserve the unique cultural, natural and historic assets while offering a wide array of services that facilitate healthy neighborhoods and commercial sector.

The Business License Division is responsible for invoicing and processing Business License applications, which comprise of three (3) parts: A Business Tax Receipt, Use and Occupancy review, and a Use and Occupancy inspection conducted once every three (3) years. All commercial and residential businesses located within the city limits are required to have a license. Staff reviews Business License applications and verifies the type of business and associated use. After the payment is submitted, the application is submitted to the Planning, Zoning and Preservation Division for approval. A Use and Occupancy inspection is scheduled simultaneously to verify the requested use, check for any code violations, and inspect the location for life safety issues.

Planning and Zoning manages the day to day administration of the Land Development Ordinances and implementation and “Gate Keeper” of the Comprehensive Plan. The Planning & Preservation Division provides professional staffing of all meetings of the Planning & Zoning Board (P&ZB) and the Historic Resources Preservation Board (HRPB). The P&ZB is the City’s designated Local Planning Agency and is responsible for reviewing changes and making recommendations to the City Commission regarding the City’s Comprehensive Plan and Future Land Use Map. The Division works with other City Department and property owners to prepare and present applications for development and annexation. The Division is also responsible for reporting City Commission decisions to appropriate state agencies.

Code Compliance seeks to enhance the quality of life by protecting property values, maintaining community appearance standards, and preserving and improving the safety, health and welfare in our Community through education, citizen participation and cooperation and orderly enforcement of Municipal Codes and Ordinances.

Code Compliance ensures compliance with the Lake Worth Code of Ordinances including property maintenance and zoning codes. Code Compliance officers insure compliance through either complaints or self-generated inspections. They also perform scheduled inspections, including rental inspections, re-inspections and compliance inspections ordered by the Special Magistrate. The manner in which complaints are handled is paramount to establishing a positive relationship with the public and is indicative of performing at a high standard. The compliance process is a three-pronged procedure. The first is to *educate*, second to *communicate*, and thirdly to *initiate*. In the *education* phase, the respondent is made aware of the violation and the benefit/rationale to compliance. In this phase officers make use of verbal warnings, courtesy door hangers, phone calls and public speaking opportunities. In the second phase, *communication* of the violation is established through statutorily mandated notices sent according to F.S.162 standards. The third phase, *initiates* the quasi-judicial element of the compliance process. It begins as violating respondents are taken to a Special Magistrate hearing for a finding of fact and imposition of liens. This process looks to establish a means for the City to enforce the tenets of its Code of Ordinances in a system that is fair, efficient and expeditious. Ultimately, the division looks to foster an environment that encourages voluntary compliance, and the initiatives and performance measures provided create a means to achieving this goal.

Strategic Planning and Design oversees the overall strategic planning and development initiatives to ensure a fiscal and physically healthy and sustainable City. The primary mission of the office is to foster a sustainable community that is economically diversified and stable, encourages systematic private/public investment to build the tax base, provides a high quality of life, stimulates options for “live, learn, work and play”, and strategically provides vision and master planning to ensure the overall sustainable future of the City. Additionally, to manage, coordinate, brand and market the overall urban design, economic investment, strategic vision, development incentives and sustainability for the City of Lake Worth Beach. Implementation of historic preservation grants awarded by the Florida Department of State. This includes two grants funded for Fiscal Year 2020 and two funded for Fiscal Year 2021.

Positions – note; these positions are allocated between 3 funds; General, Building and Code Remediation

- Administration – 1 FTE
 - Director
 - Assistant Director
 - Office Manager
- Planning and Zoning – 8 FTEs'
 - Planner
 - Executive Secretary
 - Preservation Planner
 - Horticulturalist
 - Senior Preservation Coordinator
 - Community Planner
 - Associate Planner
 - Assistant Director
 - Zoning Technician

- Code Enforcement – 15 FTEs’
 - Code Technician
 - Code Administrator
 - Code Officers (10)
 - Compliance Manager
 - Remediation Secretary
 - Asst Director Code Compliance
 - Compliance Supervisor
 - Administrative Assistant
- Business License – 1.3 FTEs’
 - Customer Service Tech (2)
 - Senior Customer Service Tech
- Strategic Planning and Design - .5 FTE
 - Director

County Sherriff - Palm Beach County Sheriff’s Office (PBSO)

The contractual service with the PBSO provides approximately 140 personnel to patrol and protect the City that includes Crime Scene Technicians, Communication Officers, Records personnel and approximately eighty (80) sworn officers (FY 2021 Staffing Chart). There will be no cost increase for FY 2021.

In August of 2008, the City of Lake Worth dissolved the Lake Worth Police Department and signed a ten-year Law Enforcement Services Agreement (LESA) with the Palm Beach County Sheriff’s Office (PBSO). This agreement involved the transfer of all Lake Worth PD staff, vehicle fleet, radios, evidence in custody and the use of public safety facilities to PBSO. The LESA requires PBSO to provide semiannual reports to the City segregated by type and geographic locations, including calls for service by time of day, geographic location, day of the week and type, reported incidents, criminal and non-criminal, by category, number and types of arrests, traffic accidents, traffic citations, response times to emergency calls by priority classification, number and type of special law enforcement activities, law enforcement forfeiture activity, monthly expenditure reports and monthly overtime reports. Under the LESA, PBSO assumed responsibility for all insurance benefits, compensation, and status ranking for Lake Worth PD employees. City employees had the option to either remain in the Lake Worth sponsored retirement plan or opt in to the Florida Retirement System offered through PBSO.

Services are provided by contract.

County Fire Rescue

On April 7, 2009, the City of Lake Worth Beach entered into an interlocal agreement, as amended on July 28, 2011 and November 15, 2011, with Palm Beach County to provide fire-rescue services to the City from October 1, 2009, until October 1, 2021. Under this agreement, all City Fire Department employees and personnel matters, including rendition of service and standards of performance, were transferred and merged into the County Fire/Rescue Department. Transferred employees that were part of the Lake Worth Firefighters’ Pension Trust Fund deferred retirement option plan (DROP) had the option to remain in the program with the understanding they would be terminated upon conclusion of their DROP period.

The fire-rescue agreement requires that the County provide the City with all personnel and equipment necessary to provide adequate fire suppression, emergency medical services, special operations, hazardous material response and mitigation, emergency communications, confined

space rescue, dive rescue, fire code inspections and testimony related thereto, response to all subpoenas related to fire rescue activities, arson investigation, new construction inspection, community education programs and all other emergency and non-emergency services generally provided by the Palm Beach County Fire / Rescue Department. Under the fire-rescue agreement, the City is required to avail its fire-rescue facilities to the County for the provision of contractually required services. The City is also required to maintain all fire-rescue related records created or maintained by the City prior to or after the commencement of the interlocal agreement. The agreement also required the transfer of all fire-rescue apparatus and related equipment, reserve equipment, maintenance and support equipment and furnishings in the City's Fire Rescue Department facilities to the County. The provision of fire-rescue services is funded under the Municipal Services Taxing Unit (MSTU). Palm Beach County Fire/Rescue is required to provide a monthly report maintained and summarized by category of all calls containing: the time the call was received, time of dispatch, time in route, travel time and time of arrival in responding to each call. The interlocal agreement may only be terminated by written agreement between the two parties; by either party, upon written notice to the other party, if the non-terminating party has defaulted on any of its material obligations and failed to cure said default in accordance with the prescribed cure period; by written agreement from either party due to budgetary limitations or constraints warranting an MSTU amendment; if the City does not pay the agreed upon employee offset costs; or in the instance that either party properly enacted an ordinance, adopted and effective prior to April 30, 2009, that terminates or voids that party's prior consent to the City of Lake Worth Beach's inclusion in the Fire/Rescue MSTU. The City renegotiated the contract with favorable terms in 2011 which resulted in an approximate \$10 million savings over its term. The FY 2021 budget reflects the same terms of agreement as in the FY 2020 budget.

Services are provided by contract.

Public Works

The mission of the Public Services Administration Department is to provide timely services to the public and to effectively manage the operational divisions in an efficient and cost-effective manner.

The Administration Division manages all components of Public Works inclusive of Facilities Management, Streets Management, Grounds and Cemetery Maintenance, Fleet Maintenance and Solid Waste and Recycling Services. The Public Works Administration function has various duties and responsibilities. The Department's main focus is to provide safe, clean, and essential services to citizens and visitors of the City of Lake Worth Beach. Public Works Administration is responsible for all supervisory and administrative duties within the Divisions incorporated under Public Works overseeing divisional budgets, schedules, personnel, equipment, and overall management. The Department's administrative members also provide support and coordination to City staff and citizens in need of all the multi-disciplinary functions of the Department.

The mission of the Streets and Stormwater division is to provide exceptional customer service and response time to roadway issues while maintaining a proactive roadway maintenance program. The Streets Division is responsible for the maintenance of approximately 116 miles of paved roadways and 22 miles of alleyways. The maintenance responsibilities are inclusive of roadway patching, sidewalk repair and installation, curb repair and installation, signage and striping, street sweeping, and maintenance of all City owned facility parking lots.

The mission of the Grounds Maintenance division is to provide exceptional grounds maintenance of the City's parks, public spaces and rights of ways for the visitors, residents and employees that work and play here.

- The Grounds Maintenance division is responsible for all landscape maintenance at City-owned buildings such as City Hall, City Hall Annex, Library, Shuffleboard building, Osborne Community Center, Community Development Corp. Building, Utilities Administration-Warehouse, Streets/Storm Water-Refuse building, Safety Complex, Fire Station# 2 and the Public Services Administration Complex. The maintenance at these locations includes all lawn, tree, and shrub maintenance including mowing (contracted in some locations), blowing, trimming, mulching, chemical weed control and trash and debris removal.
- This division is also responsible for the landscape and janitorial maintenance at all parks: Howard Park, South Palm Park, Bryant Park North and South, Constitution-Blue Star, Sunset Ridge Park, Spillway Park, Barton Park (the beach), Triangle Park, Old Bridge Park, Cultural Plaza and athletic field common areas including the Northwest baseball fields, Sunset Ridge soccer field and Memorial Park football/soccer field. Maintenance in these areas includes all mowing (contracted), blowing, hedge trimming, tree trimming, mulching, trash pick-up, emptying of trash cans and planting. An integral part of the Grounds Maintenance duties in these areas is the janitorial maintenance of the park pavilions and restrooms, which includes restocking toiletry items, cleaning toilets/sinks and blowing and/or hosing of picnic pavilions.
- Due to numerous interlocal agreements, the Grounds Maintenance division is tasked with the maintenance of medians and right of ways, some of which are not owned by the City or are out of the City limits. These areas are Interstate I-95 interchanges and rights-of-way (state), Lake and Lucerne rights-of-way___0 and tree wells (state), Dixie Highway (state), Federal Highway (state), A-1A median (state), 10th Avenue North (city/CRA), 6th Avenue South (county/CRA), Boutwell Road (county), South Palm Way Blvd. (city) and Wingfield Street (city) and the Lake Worth Road roundabout and medians (state). The current interlocal agreements require the City to assume all maintenance in these areas including tree and hedge trimming, mowing, mulching, chemical weed control, trash pick-up, garbage can emptying and maintenance of irrigation systems. This division also maintains numerous greenways throughout the City.
- The Ground Maintenance division also manages the contract for the mowing of vacant lots and foreclosed properties that are owned by the City. This includes mowing, trash pickup, and the reporting of unsafe conditions such as unsecured areas of entry and possible squatters. At the present time, the City maintains roughly 25-30 vacant lots.
- The division also maintains the vegetation in unpaved rights of ways, greenways and streets, which include periodic mowing, invasive vegetation removal and trash pickup.
- Per Environmental Protection Agency requirements, the Grounds Maintenance division manages the contract to maintain two (2) closed landfills. The maintenance in these areas includes mowing, weed control, tree trimming, fence/gate repair and clearing of methane pits.
- This Division also provides clean up and custodial services for special such as the City Holiday Parade, Street Painting Festival, Reggae Fest, Tropic Fest (Fourth of July), Hispanic Fest and the Tropical Triathlon. This Division also provides garbage pick-up and custodial services at all other events that are held in City parks and properties. All of the events impact the Division's overtime and operating budgets.

The mission of the Cemetery division is to provide exceptional customer service and maintain a beautiful place of peace for the visitors and assemblies that gather to honor those who have passed away.

The Cemetery division is responsible for all of the ground's maintenance at the City's two Cemeteries: Pinecrest Cemetery and I.A. Banks Memorial Park. The maintenance at these locations includes all lawn, tree and shrub maintenance including mowing, blowing, trimming, mulching, chemical weed control and trash and debris removal. This also includes the string trimming of approximately 10,000 headstones and markers. The division is responsible for all grave preparations and setups for both full burials and cremation services (cremations are not performed by the City). These duties include identifying the correct grave location, excavation of the grave site, preparing the lowering device for the lowering of the coffin, setting up of the canopy and chairs in order to provide a comfortable setting and environment for the family and friends of the deceased, and closing of the grave after the service has completed. Cemetery also assists visitors with finding the location of grave sites. Assistance by the division staff is usually necessary and the cemetery software system (Pontem) is utilized to find the exact section and lot where the person was laid to rest. We then take the cemetery map book and bring the family or friend out to the exact location of the grave they are looking for.

The Facilities Maintenance division's mission is to provide exceptional service to the City's facilities and provide timely and proactive repairs. The Facilities Maintenance Division administers both in-house and outsourced service contracts, such as pest control, custodial, fire, and security protection for all City-owned facilities. In-house services include carpentry, electrical, air conditioning, painting, plumbing, and ancillary functions. The Division will focus more acutely on essential building repairs and maintenance due to stricter budget restraints. Therefore, the aesthetic appearance of buildings will be analyzed and performed on an as needed and available funding basis. All essential facility maintenance of City property is maintained within the budget plan. The Division's budget provides funding and set-up assistance for all City sponsored events including the City Christmas Parade, Street Painting Festival, Pride Fest, Midnight Sun Fest, Tropic Fest (July 4th), Tropical Triathlon, and Hispanic Fest. The department provides tents, tables, chairs, lighting, and an on-call or assigned electrician for these events. The Division aids all departments in federal and state regulated storage of public records. The moving of furniture, boxes, file records, performing flag raising ceremonies, installing Home Owners Association neighborhood banners, and providing public address systems for events. The Division is also responsible for emergency protection of City buildings from weather related incidents and ensuring the safety and security of these City assets.

Positions- these positions are allocated between departments

- Administration – 1.5 FTEs'
 - Director
 - Assistant Director
 - Office Manager
- Streets – 7 FTEs'
 - Maintenance Technician (2)
 - Traffic Maintenance Technician (4)
 - Streets Supervisor (1)

- Grounds – 15 FTEs’
 - Park Maintenance Specialist II (6)
 - Park Maintenance Specialist I (2)
 - Lead Chemical Technician (3)
 - Irrigation Maintenance Technician (1)
 - Grounds Maintenance Supervisor (1)
 - Equipment Operator II (2)
- Cemetery – 1.5 FTEs’
 - Supervisor
 - Equipment Mechanic
- Custodial – 1 FTE
 - Custodian
- Maintenance – 9 FTEs’
 - Carpenter
 - Chief Plumber
 - Electrician
 - Facilities Manager
 - HVAC Tech
 - Maintenance Mechanic (4)
 - Trades Crew Chief

Leisure Services

The Leisure Services department is committed to enhancing the lives of its citizens and visitors, by providing safe, healthy, cultural, educational and recreational opportunities for the community, while preserving and enhancing natural resources and stimulating the economic vitality of the community.

The Public Information Office really came into its own during this Hurricane Season. Over the course of the season, the PIO provided residents with multiple Email updates, social media Updates, and video updates. The Lake Worth Beach email newsletter grew its readership, once again, and was sent out multiple times throughout the year. The Lake Worth Beach print newsletter has been delivered to every resident along with the monthly utility bill every month this year. These print newsletters have provided an easy to read method for residents to stay updated on everything happening within the City. The Public Information Office continues to oversee the enhanced A/V system in the Commission chambers which allows greater numbers of residents to watch commission meetings. The Public Information Office has worked on multiple marketing projects including producing digital billboards for the City’s usage agreement with an I-95 billboard. The office has also worked with the *Atlantic* magazine, *Suomi in-flight* magazine and the *Palm Beach Post* to develop local, national and inter- national marketing campaigns.

The Lake Worth Beach Public Library provides the facility, services, and programming in order that our community may enjoy the benefits of literacy.

The Recreation division is committed to enhancing the lives of its citizens and visitors by providing safe and healthy cultural, educational and recreational opportunities for the community, while preserving and enhancing natural resources and stimulating the economic vitality of the community.

The Recreation maintenance division is responsible for all of the parks and recreational facility grounds maintenance, sports field and ball field maintenance along with the common areas as well as the associated play grounds. The maintenance at these locations includes all lawn, tree and shrub maintenance including mowing, blowing, trimming, mulching, chemical weed control, trash and debris removal. This also includes the upkeep of all playground equipment with regular inspections.

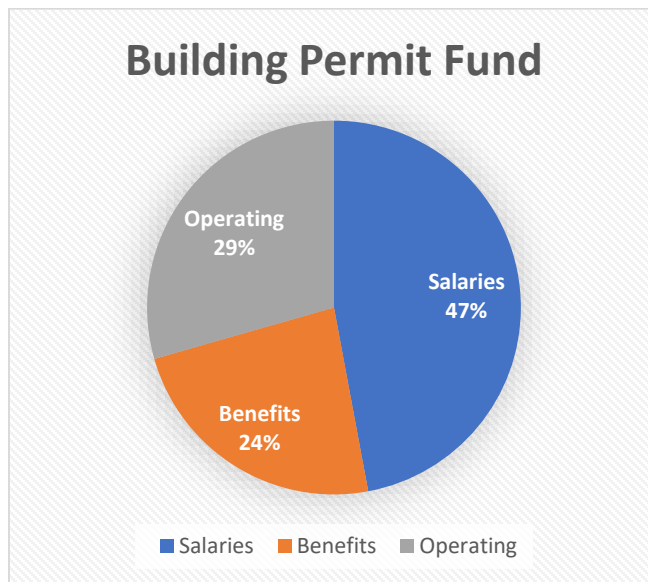
The Special Events division is responsible for all City-sponsored signature events, community events and assists with coordinating as well as permitting private special events.

Positions- these positions are allocated between funds and departments

- Information Office – 1 FTE
- Library – 5 FTEs'
 - Director
 - Asst Director
 - Librarian I
 - Associate I (2)
 - Manager
 - Out of School
- Community Programs 6 FTEs'
 - Director
 - Asst Director
 - Athletic Coordinator
 - Parks Operation Superintendent
 - Recreation Administrative Coordinator
 - Recreation Center Asst, PT, (2)
 - Recreation Manager
 - Recreation Program Coordinator
- Facilities
 - Director
 - Asst Director
 - Park Maintenance Specialist
 - Park Maintenance Tech
 - Parks Maintenance Specialist II
 - Parks Operations Superintendent
 - Recreation Admin Coordinator

Building Permits Fund

The Building Division is responsible for the enforcement and interpretation of Florida Building Codes, Local Codes, and Florida and Federal Statutes regarding new construction and renovations to existing structures. The Florida building Code apply to the design, construction, erection, alteration, modification, repair, demolition of public or private buildings or facilities in the city and to the enforcement of such requirements which will allow effective and reasonable protection for public safety, health and general welfare of the residents of the city. The Division promotes and supports sustainable building practices that increase the efficiencies in energy and water consumption and use of materials.



	FY 2023 Proposed Budget	
Revenues	<u>2,252,000.00</u>	
Salaries	1,053,198.34	47%
Benefits	526,003.56	24%
Operating Subtotal	<u>658,515.25</u>	29%
Expenditures	<u>2,237,717.15</u>	1
Net Revenues	<u><u>14,282.85</u></u>	

Positions- these positions are allocated between funds and departments - 16 FTEs'

- Admin Assistants (3)
- Assist Sustainability Director
- Asst Director Code
- Building Official
- Code Compliance Supervisor
- Code Remediation Secretary
- Community Code Tech
- Planners (3)
- Compliance Manager
- Customer Service (3)
- Director
- Electric Plans Inspector
- Horticulture Technician
- Interns (3)
- MD Inspectors (4)
- Office Manager
- Plan Review
- Preservation Coordinator
- Use and Occupancy Officer (3)
- Zoning Technician

Code Remediation Fund

The Code Remediation Fund was created by the City Commission to account for the costs and revenues associated with the City acquiring, maintaining and selling foreclosed properties. (Sec. 2 Code of Ordinances, Commission action 8/3/2004).

This fund has no employees associated with its activities.

Total Income-	\$244,000
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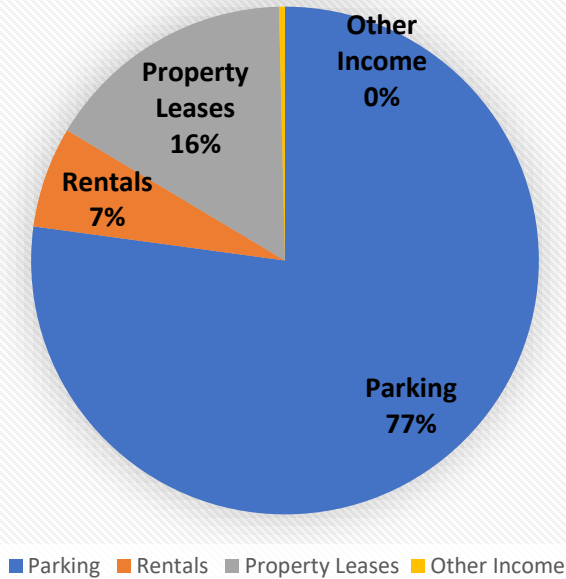
Total Expenditures-	208,000
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Net Revenues-	<u>36,000</u>
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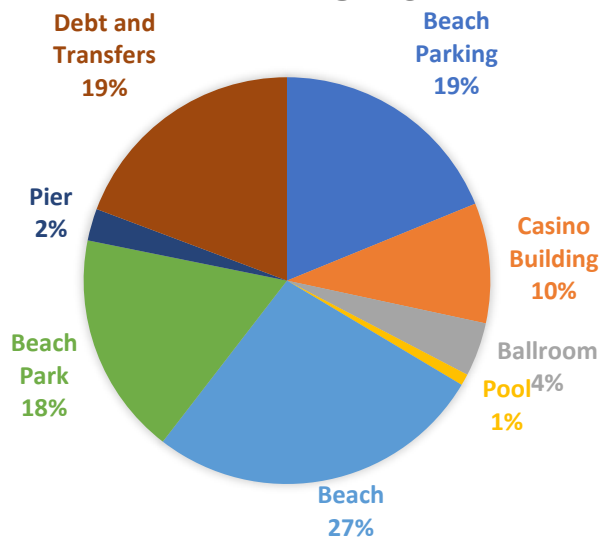
Beach Fund

The Beach Fund activities consist of following primary programs; parking, Casino Building activities, ballroom activities, beach, beach park, and pier. The following is the budget overview.

Beach Fund Revenues



BEACH FUND EXPENDITURES



FY 2023
Proposed
Budget

Revenues

Parking	3,505,500.00	77%
Rentals	292,119.00	6%
Property Leases	729,060.00	16%
Other Income	17,270.00	0%
Total Income	4,543,949.00	

-

Expenditures

Beach Parking	831,876.08	19%
Casino Building	421,952.97	10%
Ballroom	189,121.50	4%
Pool	40,180.37	1%
Beach	1,188,200.76	27%
Beach Park	782,856.07	18%
Pier	112,605.00	3%
Debt and Transfers	851,836.72	19%

Total Expenses 4,418,629.46

-

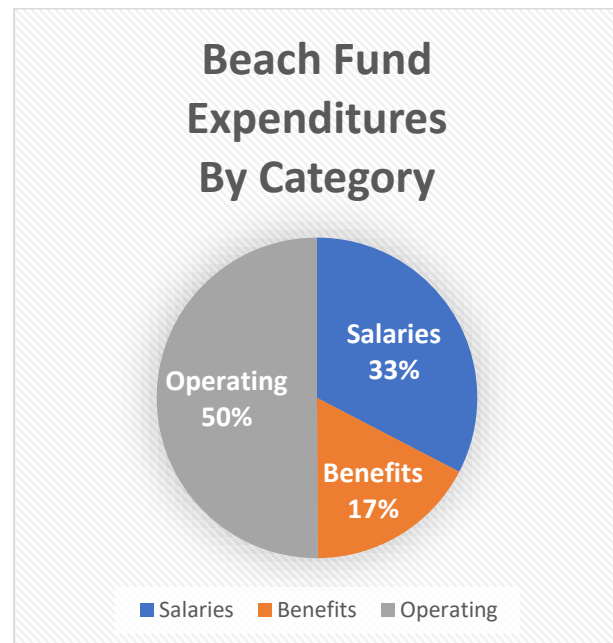
Net Revenues 125,319.54

-

Beach Fund Expenditures by Category

	Salaries	Benefits	Operating	Total	FTEs'
Beach Parking	347,751.49	200,962.59	283,162	831,876.08	7.20
Casino Building	123,702.42	57,349.55	240,901	421,952.97	2
Ballroom	80,038.40	34,294.65	74,788	189,121.50	2
Pool	12,935.56	4,069.81	23,175	40,180.37	0
Beach	711,598.74	388,541.22	88,061	1,188,200.76	19
Beach Park	165,633.77	78,947.66	538,275	782,856.07	3
Pier			112,605	112,605.00	
Debt and Transfers			851,837	851,836.72	
Total Expenses	1,441,660.38	764,165.48	2,212,803.61	4,418,629.46	33.85

Salaries	1,441,660.38	33%
Benefits	764,165.48	17%
Operating	<u>2,212,803.61</u>	50%
	<u><u>4,418,629.46</u></u>	



The Parking division manages parking in the City's downtown and metered lots at Lake Worth Beach – Casino Beach Complex, Bryant Park Boat Ramp and the Old Bridge Park lot. Responsibilities include providing a safe parking environment, customer service to residents and visitors, answering questions, tourist guide information, providing maintenance to parking lot pay stations, updating signage, enforcement of ordinances, issuance of citations, tracking of meter revenues and resolving citation disputes by processing Hearing Request Forms to obtain court dates for citizens.

Located at 10 South Ocean Boulevard, this 1920's style Casino Building and Beach Complex sits on a site of nearly nineteen acres directly on the Atlantic Ocean. The Beach Complex, in addition to the building, includes two shaded pavilions, restroom facilities, playground, park, over 600 metered parking spaces, decaled resident parking and the William O. Lockhart Municipal Pier, home to the infamous restaurant, Benny's on The Beach. The Casino Building includes 4 tenants, one 5,000 sq. ft. space for lease and features a 3,000 sq. ft. ballroom with a full kitchen and a wraparound terrace with breath taking views of the Atlantic Ocean.

The ballroom offers an impressive setting for any event including weddings, receptions, anniversary parties, reunions, corporate dinners, awards ceremonies, meetings, seminars or other special events. Additionally, beach weddings and courtyard weddings are available in addition to hosting the receptions. The ballroom is available for rent 365 days a year with competitive pricing that includes discounts for residents, non-profit organizations and off-peak rates. The ballroom was awarded the prestigious WeddingWire Couples' Choice Award for 2018, its second consecutive win.

The complex is uniquely marketable as the premiere beachfront destination in Palm Beach County. With ample parking and public spaces, it is open for all ages and demographics to enjoy. The eclectic mix of tenants in the Casino Building is appropriate and non-competitive with plenty of business for all. Special events held throughout the year attract visitors and residents year-round, such as the beach bonfires, festivals, competitive jet ski races and the Lake Worth Beach Farmers Market at Old Bridge Park.

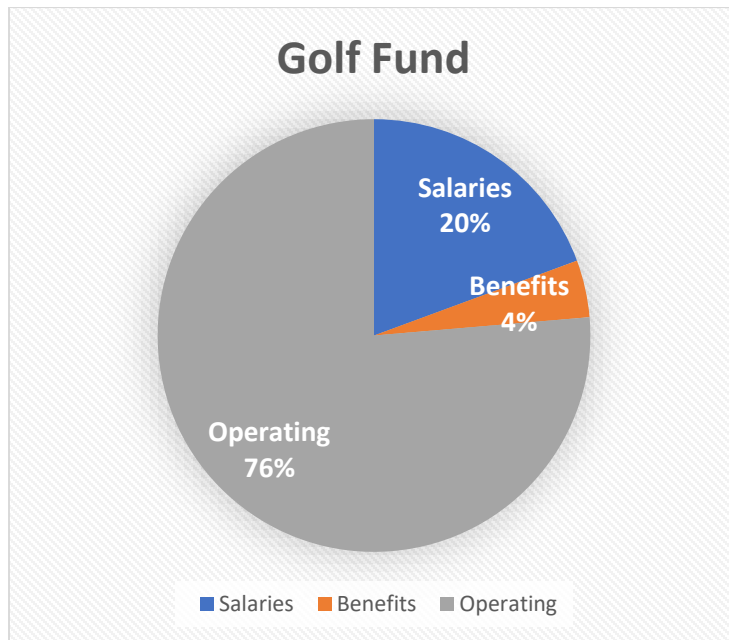
Lake Worth Beach Ocean Rescue is responsible for overseeing the safety of all of its visitors along its ¼ mile beach front property 7 days a week 365 day a year. Every day our lifeguards continue to put their lives on the line to ensure all beach patrons have a fun and safe experience while swimming and enjoying our property. Not only do our lifeguards watch over swimmers to prevent drownings, they administer numerous first aids and take many preventative actions a day. Our lifeguards pride themselves on their skill and knowledge and train on a daily basis to stay prepared for any emergencies that may happen.

The City of Lake Worth Beach Aquatics Ocean Rescue division is committed to ensuring the safety of all patrons while providing a positive and enjoyable aquatic experience for all visitors.

The William O' Lockhart Municipal Fishing Pier was reopened in 2009 after being closed for five years due to damages incurred during hurricanes Frances and Jeanne. Over 100,000 fishermen visit the pier annually to experience some of the best land-based fishing the east coast of Florida has to offer. The fishing pier extends 960 feet into the ocean and offers benches, cutting stations and shade. The on-site bait shop sells tackle, live bait and has rod rentals. The original pier was built in 1959 as a platform for laying a sewage outfall pipe into the ocean and officially opened in 1960 to a throng of enthusiastic anglers. The fishing pier now offers annual fishing tournaments and other special events held throughout the year.

Golf Course Fund

The Leisure Services Department is committed to enhancing the lives of its citizens and visitors, by providing safe, healthy, cultural, educational and recreational opportunities for the community, while preserving and enhancing natural resources and stimulating the economic vitality of the community.



	FY 2023 Proposed Budget	
Revenues	1,528,500.00	
Salaries	295,766.47	19%
Benefits	65,226.51	4%
Operating Subtotal	1,165,431.80	76%
Expenditures	1,526,424.78	1
Net Revenues	2,075.22	

The membership at the golf course will continue to be a stable part of our golf rounds. Our memberships bring in about \$100,000 for the club annually. The Frequent Player card has done very well over the past few years. We currently have almost 200 players who have joined this membership. It is a great deal for the golfer, and the course benefits when they bring guests as well as increasing the amount of golf they play. The high-level customer service, mixed with the support of a well-trained staff, has pleased the current members and attracted new ones as well.

Group Play has become a big part of our winter revenue. The golf course now caters to regular groups during the winter months that bring a guaranteed revenue of up to \$55,000 over the span of 5 months. The daily play is the biggest part of our golf round budget. Daily fee golfers play the most rounds and pay the highest price for their golfing experience. As Lake Worth Beach Golf Club continues to grow the game of golf in Lake Worth Beach, there will be an increase in these rounds.

Attached to our golf course website is an option for people to join our email special list, and through this option we have reached over 6,000 people. The golf course has found that on average, our email specials add an extra 10 people per day, which can turn into an added profit of up to \$500 per day. The email blasts help to fill gaps when we have holidays or if the tee sheet just isn't filling up. Even sending out the email two or three days out can generate play.

Lake Worth Beach Golf Club will continue to look for the best deals in merchandise to ensure the function is profitable. The course will strive to operate a Cost of Goods Sold (COGS) of 53% or higher, which will make considerably more profit for the City than in years past. As the shop builds its brand, a loyalty discount to members will be introduced and the course should see an increase in the dollars spent in the Pro Shop.

The popular restaurant serves both the golfers and the community for any and all events. With the newly renovated restaurant and bar, The Beach Club has enhanced the image of the clubhouse, and, in return, brought more business to the golf course. This year, The Beach Club has hosted a significant number of parties, HOA meetings and other community gatherings and it's expected that this will continue to grow as more people visit Lake Worth Beach Golf Club.

BrightView Golf Maintenance has been striving to improve the overall appearance of the golf course and change the way people think of Lake Worth Beach Golf Club. For years the golf course had been neglected with poor drainage and old irrigation, which hinders the ability to properly maintain the golf course. Brightview has made the best of the situation and the golf course has improved significantly. Although there is still a long road ahead to compete with neighboring golf courses, Brightview and the golf course will continue to work together to improve gold course conditions, giving customers the best experience possible.

Positions- some positions are allocated between funds and departments - 10 FTEs', however, 9 are part time employees.

- Director LS
- Asst Director LS
- Cashiers PT, (4)
- Labor PT, (5)
- Golf Manager

Information Technology Internal Service Fund

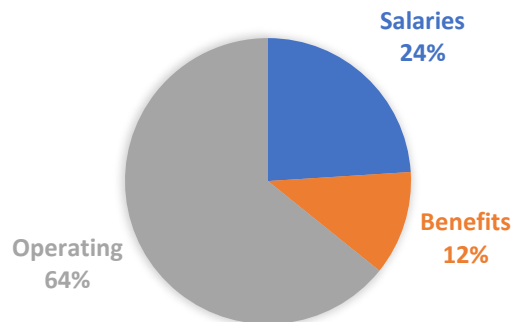
IT Department

The Information Technology (IT) Department coordinates the use of technology to ensure accurate and timely information is provided to management, staff, City Commission and citizens. The IT Department manages the enterprise computer network, phone systems, cell phones and security systems, providing service to over 350 employees.

Below is the FY 2023 budget summary.

	FY 2023 Proposed Budget				
Revenues					
Department Transfers	2,621,555.00	100%			
Total Income	2,621,555.00	1			
	-				
Expenditures					
IT Operations	2,573,010.13	98%			
Debt and Transfers	40,269.00	2%			
Total Expenses	2,613,279.13	1			
	-				
Net Revenues	8,275.87				
	-				
	Salaries	Benefits	Operating	Total	FTEs'
IT Operations	626,911	308,254	1,637,845	2,573,010	10
Debt and Transfers	0	-	40,269	40,269	
Total Expenses	626,911	308,254	1,678,114	2,613,279	10
				-	
Salaries	626,911	24%		-	
Benefits	308,254	12%			
Operating	1,678,114	64%			
	2,613,279	1			

IT EXPENDITURES BY CATEGORY



The enterprise computer network consists of more than 325 desktop computers and laptops, approximately 61 Windows servers and 51 routers and/or switches. The backbone of the enterprise computer network is the connectivity between the numerous City buildings. A combination of fiber optics, micro-wave wireless, cable modems and DSL modems connect the twenty (20) City buildings.

The IT Division maintains the City's telecommunication resources. This includes landline phones, cell phones and wireless air cards. The main phone system for the City is a Cisco VoIP (Voice over IP) that uses the enterprise computer network for connectivity between phones and Cisco Call Managers. Currently there are 156 cell phones and 61 wireless air cards used by City employees. In addition, the division maintains a variety of software applications and provides first level support for all applications used within the City. The largest of these applications is the Central Square Technologies NaviLine ERP system used throughout every department in the City.

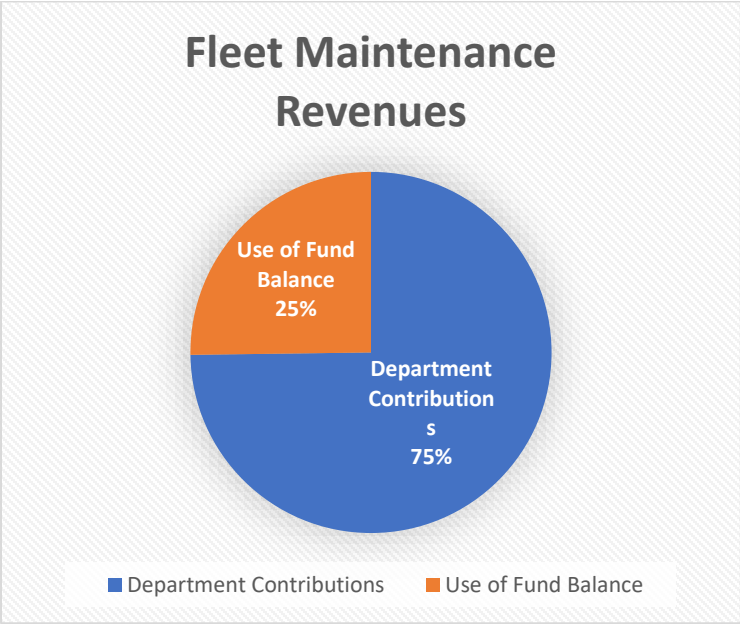
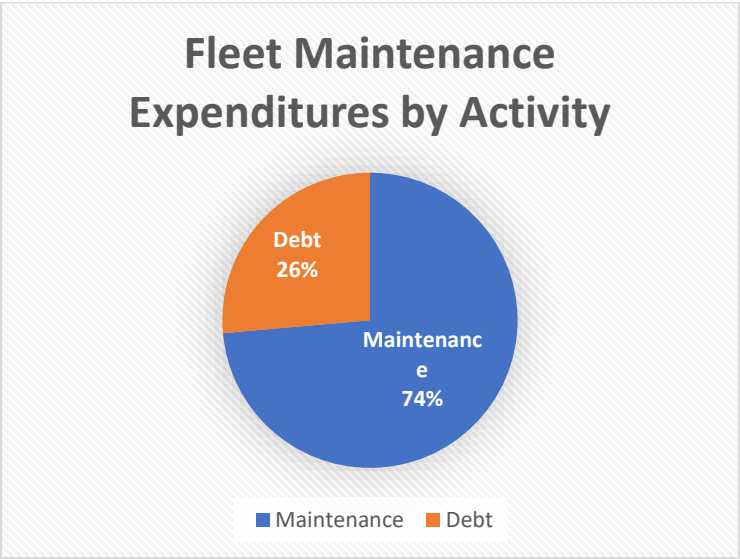
Positions

- Director
- PC Technician
- Emergency Communications Officer
- Sr Systems and Network Analyst
- GIS Coordinator
- PC Technician
- IT Manager
- PC Technician
- Network Administrator

Garage Internal Service Fund

The mission of the Fleet Maintenance division is to provide exceptional service to the internal City departments and to be proactive in servicing and maintaining the City’s vehicle and equipment fleet.

Below is the FY 2023 budget summary.

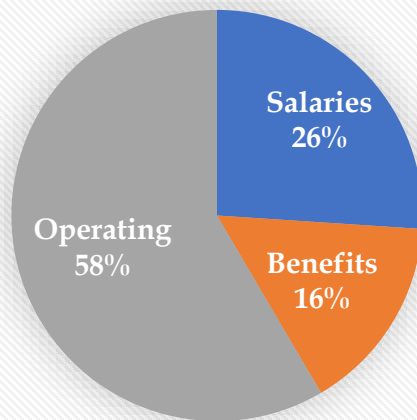


	FY 2023 Proposed Budget	
Revenues		
Department Contributions	978,910	75%
Use of Fund Balance	330,000	25%
Total Income	1,308,910	
	-	
Expenditures		
Maintenance	962,710	74%
Debt	345,166	26%
Total Expenses	1,307,876	1
	-	
Net Revenues	1,034	

Expenditures by Category

	Salaries	Benefits	Operating	Total	FTEs'
Maintenance	340,642	202,844.85	419,223	962,710	6.00
Debt			345,166	345,166	
Total Expenses	340,642	202,845	764,389	1,307,876	6.00
				-	
Salaries	340,642	26%		-	
Benefits	202,845	16%			
Operating	764,389	58%			
	1,307,876	1			

Fleet Maintenance Expenditures by Category



■ Salaries ■ Benefits ■ Operating

The Garage/Fleet division is responsible for the maintenance and repairs of all City owned vehicles and equipment. As an Internal Fund, the division has divided its services into three levels:

- 1/2 ton and under (passenger vehicles and small trucks)
- Over 1/2 ton to 1-ton trucks/vehicles
- Over 1-ton trucks and heavy equipment

The cost breakdown for repairs and replacement is as follows: \$4,900 for 1/2 ton and under, \$6,900 for over 1/2 ton to 1 ton, with 70% going toward repairs and 30% toward replacement. All "over 1 ton and heavy equipment" will be directly charged to each department the vehicle is registered. For FY 2023, a ten percent increase was necessitated which continues to be insufficient. It is expected that additional increases will be necessitated in future fiscal years.

Garage/Fleet division continues to be handled in-house as feasible based on the type of equipment and in accordance with current allocated budget. The Garage division handles tire mounting and service calls as required. Monthly administrative fleet management reporting on fuel usage will continue

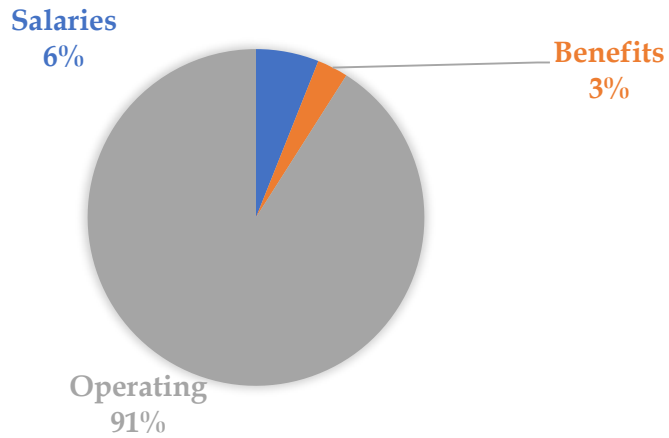
Self-Insurance Internal Service Fund

The Self Insurance Fund accounts for the property and liability insurance expenses along with the workers' compensation cost and reserves which benefit every department of the City of Lake Worth Beach.

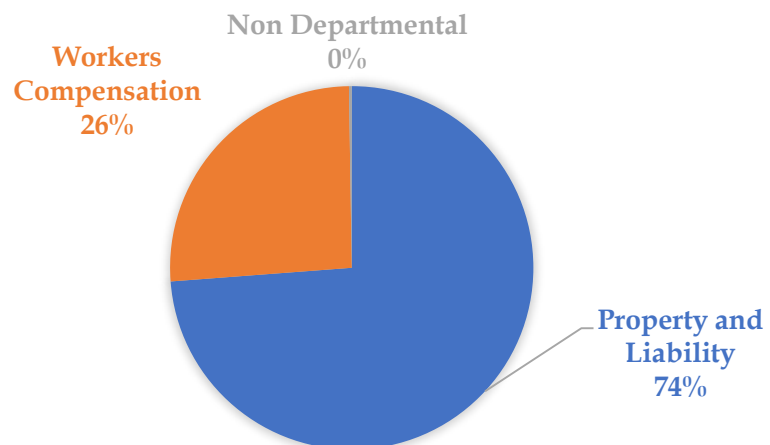
Activities include; Property and Liability and workers compensation with funding coming from the City's departments. Below is the FY 2023 budget summary.

	FY 2023 Proposed Budget				
Revenues					
Department Contributions	<u>3,420,073</u>	100%			
Total Income	<u>3,420,073</u>				
	-				
Expenditures					
Property and Liability	2,420,835	74%			
Workers Compensation	851,373	26%			
Non-Departmental	<u>8,000</u>	0%			
Total Expenses	<u>3,280,208</u>	1			
	-				
Net Revenues	<u><u>139,865</u></u>				
	-				
	Salaries	Benefits	Operating	Total	FTEs'
Property and Liability	99,686	48,996.37	2,272,153	2,420,835	1.25
Workers Compensation	98,386	48,896.92	704,090	851,373	1.25
Non-Departmental			8,000	8,000	
Total Expenses	<u>198,072</u>	<u>97,893</u>	<u>2,984,243</u>	<u>3,280,208</u>	<u>2.50</u>
				-	
Salaries	198,072	6%		-	
Benefits	97,893	3%			
Operating	<u>2,984,243</u>	91%			
	3,280,208	1			

SELF INSURANCE FUND EXPENSES BY CATEGORY



SELF INSURANCE FUND EXPENSES BY ACTIVITY



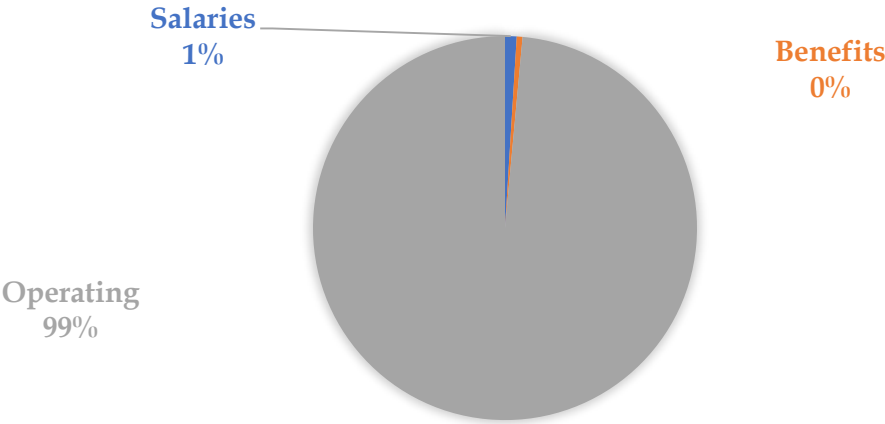
Employee Benefit Internal Service Fund

To account for the benefits provided to active and retired employees.

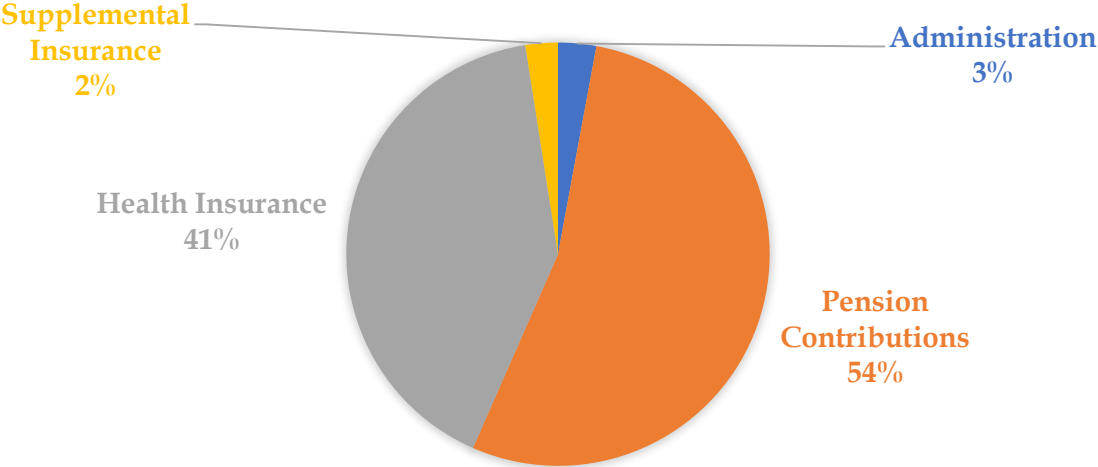
The Employee Benefit Fund collects receipts from departments for health and pension contributions. Expenses are categorized as administrative and benefits. The following is the FY 2023 budget summary.

		FY 2023 Proposed Budget				
Revenues						
Department Contributions	10,050,259	100%				
Total Income	10,050,259					
	-					
Expenditures						
Administration	291,374	3%				
Pension Contributions	5,374,667	54%				
Health Insurance	4,100,360	41%				
Supplemental Insurance	247,819	2%				
Total Expenses	10,014,220	1				
	-					
Net Revenues	36,038					
	-					
	Salaries	Benefits	Operating	Total	FTEs'	
Administration	97,686	48,843	144,845	291,374	1.25	
Pension Contributions			5,374,667	5,374,667		
Health Insurance			4,100,360	4,100,360		
Supplemental Insurance			247,819	247,819		
Total Expenses	97,686	48,843	9,867,691	10,014,220	1.25	
				-		
Salaries	97,686	1%		-		
Benefits	48,843	0%				
Operating	9,867,691	99%				
	10,014,220	1				

**EMPLOYEE BENEFIT FUND
EXPENSES BY CATEGORY**



**EMPLOYEE BENEFIT FUND
EXPENSES BY ACTIVITY**



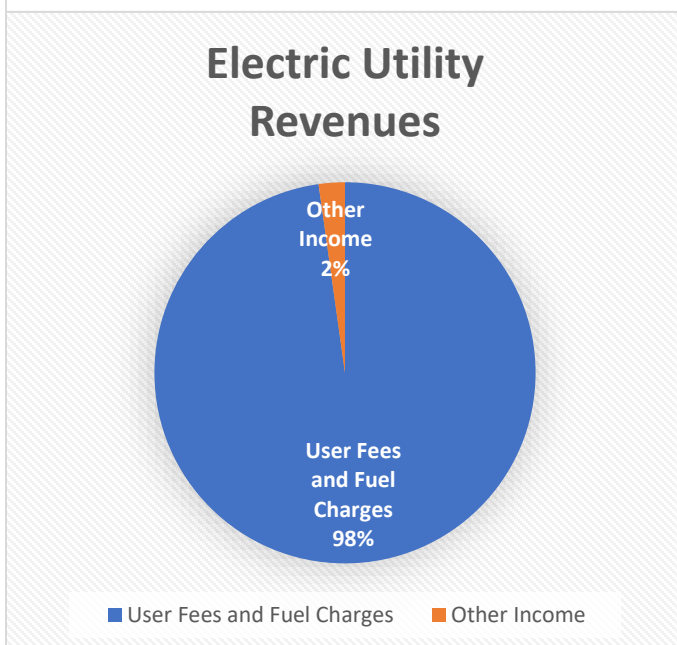
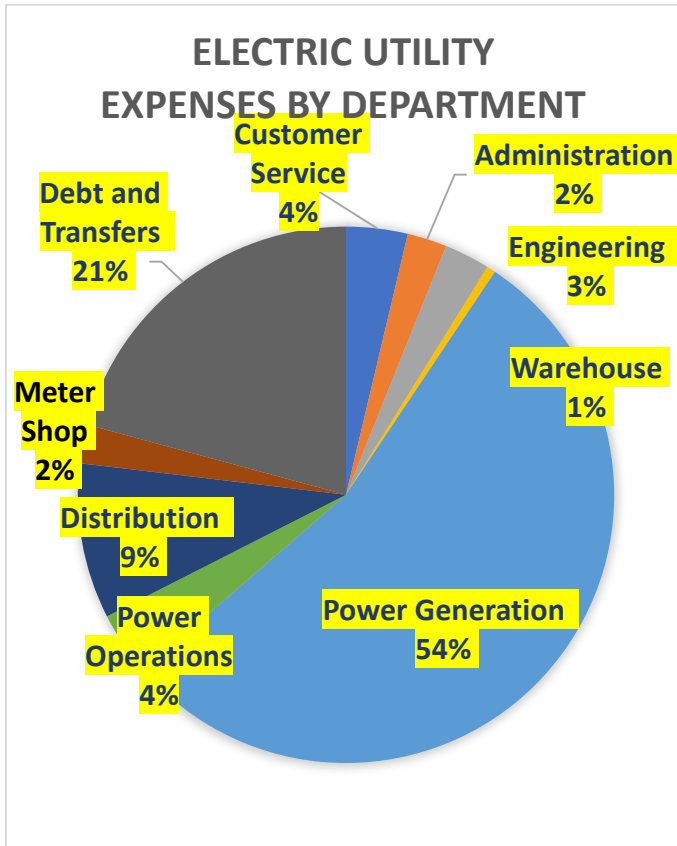
Debt Service Fund

The Debt Service Fund accounts for the debt service associated with the road bond. The source of funds to pay the corresponding debt is raised as part of the annual tax levy.

Fund 203 - Debt Service Fund	FY 2023 Revised Budget
Amount to be raised / TRIM	2,159,088
Debt Service	2,159,088
Net Revenues	-

Electric Utility Fund

The Electric Utility Fund activities consist of following primary programs and services: Customer Service, Administration, Engineering, Warehouse, Power Generation, Power Operations, Distribution, and Meter Shop. The following is the FY 2023 budget summary.

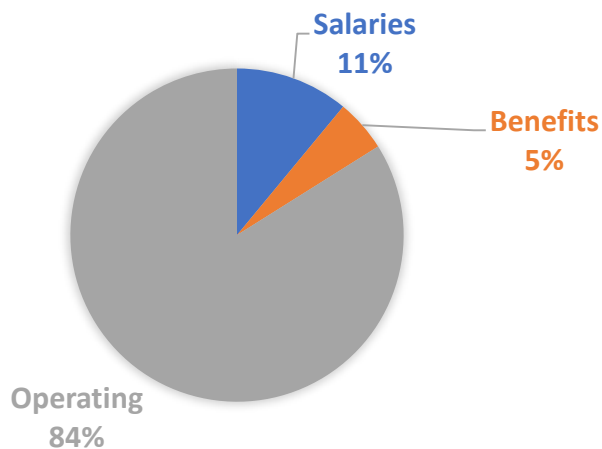


FY 2023 Proposed Budget			
Revenues			
User Fees and Fuel Charges	71,056,414.00	98%	
Other Income	1,611,859.09	2%	
Total Income	72,668,273.09	1	
-			
Expenditures			
Customer Service	2,596,775.85	4%	
Administration	1,670,856.08	2%	
Engineering	1,931,315.55	3%	
Warehouse	371,426.34	1%	
Power Generation	38,037,326.65	54%	
Power Operations	2,714,003.47	4%	
Distribution	6,566,274.91	9%	
Meter Shop	1,635,733.56	2%	
Debt and Transfers	14,569,453.57	21%	
Total Expenses	70,093,165.99	1	
-			
Net Revenues	2,575,107.10		

Electric Utility Fund- Expenditures by Category

	Salaries	Benefits	Operating	Total	FTEs'
Customer Service	659,340	342,646	1,594,790	2,596,776	13
Administration	503,329	211,328	956,200	1,670,856	4
Engineering	1,034,205	490,792	406,318	1,931,316	12
Warehouse	145,223	74,963	151,240	371,426	2
Power Generation	1,116,891	543,232	36,377,204	38,037,327	12
Power Operations	885,223	405,229	1,423,551	2,714,003	8
Distribution	2,643,301	1,143,887	2,779,086	6,566,275	26
Meter Shop	720,384	347,811	567,538	1,635,734	11
Debt and Transfers			14,569,454	14,569,454	
Total Expenses	7,707,896	3,559,888	58,825,381	70,093,166	88
				0	
Salaries	7,707,896	0		0	
Benefits	3,559,888	0			
Operating	58,825,381	1			
	70,093,166				

**ELECTRIC UTILITY
EXPENSES BY CATEGORY**



Electric Utility Fund- Department Overview

Customer Service strives to provide City of Lake Worth Beach Utilities with efficient, accurate and timely, customer service activities, while also endeavoring to be the professional, honest and reassuring, face of the City of Lake Worth Beach for its citizens. Additionally, to improve the quality of life for Lake Worth Beach customers by streamlining the utility billing payment systems to ensure customer satisfaction with every interaction at the same time providing more self-service options for our customers.

The Administrative division ensures the health of the technical, financial, and managerial aspects of the electric utility as well as conservation management and the utility warehouse. The focus of this division includes identifying basic needs and upgrades while maximizing service reliability. All facets of electrical generation, transmission, distribution and customer service are directed through Administration.

The Engineering function strives to provide an engineering approach to all principles, including the human factor, involved in the production, transmission, and distribution of electric service to Lake Worth Beach electric utility customers and employees. We dedicate our energies to provide safe, reliable, cost effective service to enhance the lifestyles of the citizens of Lake Worth Beach, with special attention to the environment, the economy, and the security of the region. The Engineering department is one of seven divisions within the Electric Utility 401 Fund. We have a staff of 12 and are responsible for the design, construction, maintenance, operation and compliance of the electrical system for the City.

The City of Lake Worth Beach Municipal Power Plant staff are committed to operating the facility safely, efficiently and in a manner that will optimize reliability and capacity at minimal expense. The Power Plant is committed to fostering a working environment that is conducive to proud ownership, fair treatment, personal growth and mutual respect through setting the highest standards of ethics and professionalism.

Generation is one of the divisions that make up the Electric Fund and is operated/manned twenty-four hours per day, seven days a week. The generating units are economically dispatched by OUC. The Generation Division operates a variety of generating units. Our fleet is made up of five (5) 567D internal combustion diesel engines rated at 2 megawatts each, one (1) 251B Westinghouse single fuel diesel gas turbine rated at 30 megawatts, one (1) Westinghouse steam turbine rated at 25 megawatts powered by a Riley Stoker boiler rated at 225,000 PPH steam flow, one (1) dual fueled 5001P GE gas turbine in combined cycle mode with a GE steam turbine rated at 10 megawatts powered by the VOGT Heat Recovery Steam Generator (HRSG) rated at 90,000 PPH steam flow, and a newly installed 1.71 MW solar array. These onsite generators provide approximately 87 net megawatts of back up generation. The City also owns 22 megawatts of nuclear power through the FMPA St. Lucie project and 10 megawatts of coal power through the FMPA Stanton project which are managed through the power plant. The total generation owned by the City is equal to 118 net megawatts of power.

The Systems Operation division is dedicated to ensure the coordinated operation of the City of Lake Worth Beach electric system will provide reliable service to the diverse customer base

through day-to-day and emergency system operation of the electric distribution system and substation network. The System Operations division is responsible for real-time operation of the electric transmission and distribution system. We continuously monitor the system and take corrective action as needed to keep all equipment within its operating limits and customers in service. We are staffed 24 hours a day, 7 days a week, and 365 days a year to respond to the needs of our customers.

To provide the most reliable, efficient electrical service possible to customers with minimal interruptions. The Electric Transmission and Distribution Department is responsible for the operation, construction, and maintenance of the electrical system in order to provide safe, timely, and reliable service. The electrical system covers approximately 12 square miles of combined transmission and distribution lines serving 27,000 customers. The system is comprised of 138kV transmission, 26kV sub-transmission and 4kV distribution supported through 11 substations.

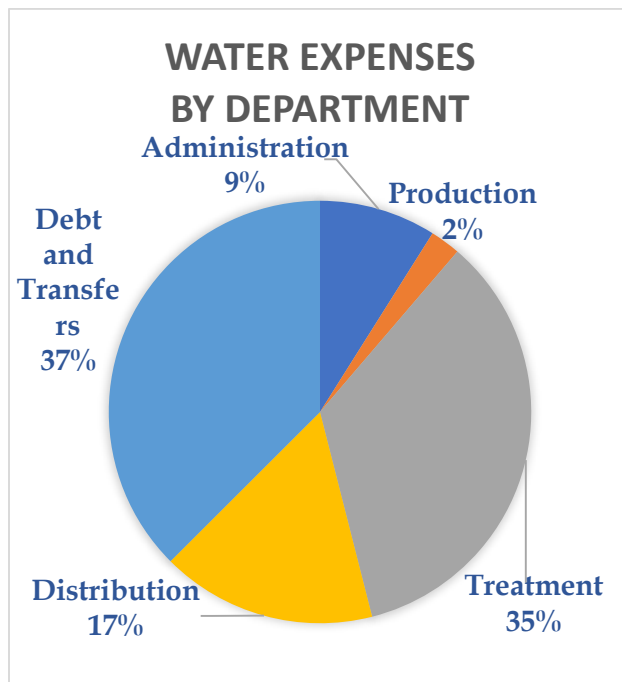
The Meter Shop is committed to provide accurate metering and conservation resources to our residents. We will continue to invest in materials and training to ensure satisfaction. The Meter Shop is a division within the Electric Utility Fund. We have a staff of 11. We are responsible for the accurate monthly readings of 27,000 electric and 15,000 water meters. We also are responsible to turn on and off those same meters as needed for our Customers. Our service territory is approximately 15 square miles of combined electric and water meters serving 42,000 customers.

Water Utility Fund

The mission of the Water Treatment division is to serve and protect the public health and welfare by providing safe and reliable potable water supply to the public, while meeting all State and Federal guidelines, producing high quality water in a sustainable and efficient manner today and into the future.

The Water Utility Fund activities consist of following primary programs and services: Administration, Production, Treatment, and Distribution. The following is the FY 2023 budget summary.

Water Expenses by Department

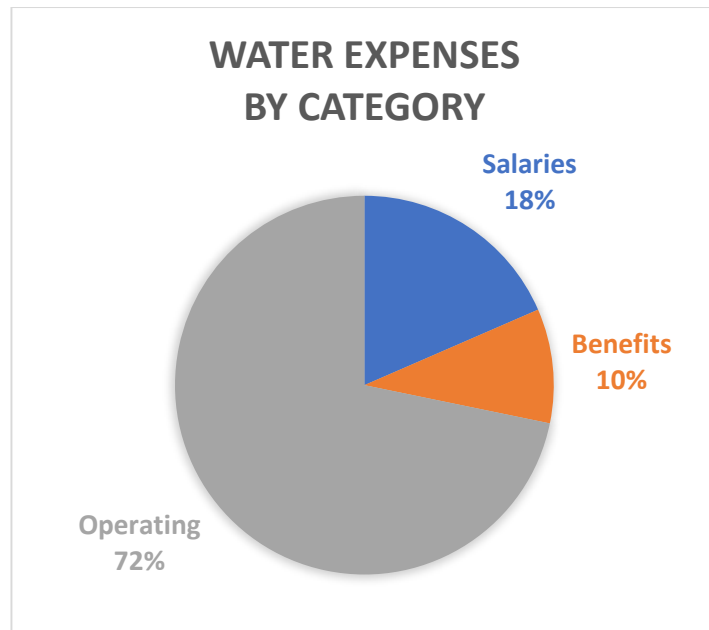


Revenues			
User Fees	17,256,075.00	100%	
Other Income	15,000.00	0%	
<hr/>			
Total Income	17,271,075.00	1	
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-			
Expenditures			
Administration	1,273,665.36	9%	
Production	330,600.00	2%	
Treatment	4,947,447.71	35%	
Distribution	2,346,506.48	16%	
Debt and Transfers	5,335,127.00	37%	
<hr/>			
Total Expenses	14,233,346.54	1	
<hr/>			
-			
Net Revenues	3,037,728.46		
<hr/>			

Water Expenses by Category

	Salaries	Benefits	Operating	Total	FTEs'
Administration	502,914	226,278	544,473	1,273,665	6
Production			330,600	330,600	0
Treatment	1,336,937	741,151	2,869,359	4,947,448	17
Distribution	789,868	422,279	1,134,360	2,346,506	11
Debt and Transfers			5,335,127	5,335,127	
Total Expenses	2,629,719	1,389,708	10,213,919	14,233,347	33

Salaries	2,629,719
Benefits	1,389,708
Operating	<u>10,213,919</u>
	<u><u>14,233,347</u></u>



The Water Treatment Division is responsible for the operation of the Lake Worth Beach Water Treatment Plant (WTP), the associated well fields, finished water storage and pumping facilities, and concentrate deep injection well. This plant operates 24 hours per day, 7 days a week and currently employs fifteen (17) personnel. The treatment plant consists of a Lime Softening water treatment facility with a design capacity of up to 12.9 million gallons per day (MGD) and a Reverse Osmosis (RO) water treatment facility with a design capacity of up to 4.5 MGD. The Division maintains two wellfields, one Surficial and one Floridan, to supply groundwater to the Lime Softening plant and the RO plant. The Surficial Aquifer well field supplies water to the City's Lime Softening WTP. All of the 13 wells are located within a half mile radius of the plant and vary in age from 1 to 53 years. The Floridan Aquifer well field supplies water to the City's RO WTP. All 3 of the wells are located within a half mile radius of the plant and vary in age from 13 to 15 years. RO technology produces high quality water, and when blended with the lime softened water, has greatly improved the overall finished water quality to our customers. The City's water storage facilities include three above ground storage tanks, two clear wells and two elevated storage tanks for a total storage capacity of 5.9 million gallons. The Water Treatment Division operates, maintains, troubleshoots, repairs and replaces components to keep all of these systems in operation. The division also includes a state certified laboratory that runs an extensive variety of testing that includes daily analysis, processing customer concerns, and over 1,200 bacteriological samples each year on both raw and finished water.

The mission of the Water Distribution division is to ensure the distribution of potable drinking water to our customers, with consistent quality and minimal interruption, by providing maintenance, construction and emergency repairs to the potable water piping systems throughout the City. The division carries out the mission through responding to all water system service calls, maintaining the water transmission and distribution piping system, maintaining and testing fire hydrants, and maintaining water meters. Ongoing maintenance, emergency repairs and upgrades are conducted on this system throughout the year. The Water Distribution Division oversees all maintenance and operations of the City's potable water piping system. This includes 24/7 emergency call-outs, the flushing of slow use water mains (insuring that water service remains safe and clean), the replacement or repair of aging or leaking services and main lines, installation of water meters, repair or replacement of fire hydrants, and the inspection of all new water lines and water services in our service area. The water distribution piping includes associated appurtenances such as fire hydrants, valves and water meters. Work includes assisting customer service, preventative maintenance of hydrants and valves, replacement of deficient piping infrastructure and emergency repairs to the water distribution lines throughout the City to maintain service to all customers. The water distribution network consists of approximately 150 miles of water distribution and transmission mains. The piping includes mains sized from 6-inch through 36-inch and waterlines feeding services sized 2 inches and larger.

Local Sewer Utility Fund

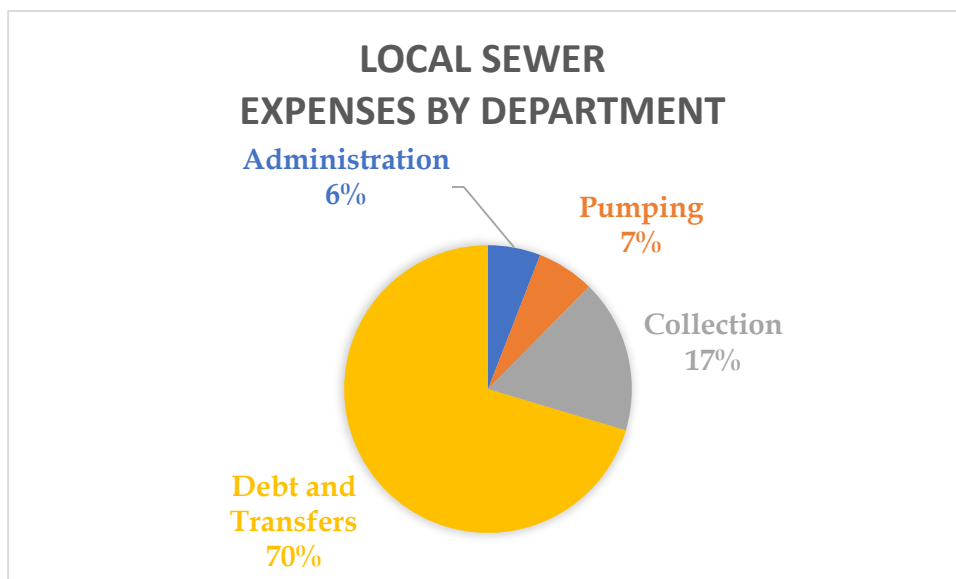
The Local Sewer Utility Fund activities consist of the following primary programs and services: Administration, Pumping, and Collections. The following is the FY 2023 budget summary.

Revenues

User Fees	10,152,602.00	97%
Other Income	272,500.00	3%
Total Income	10,425,102.00	1

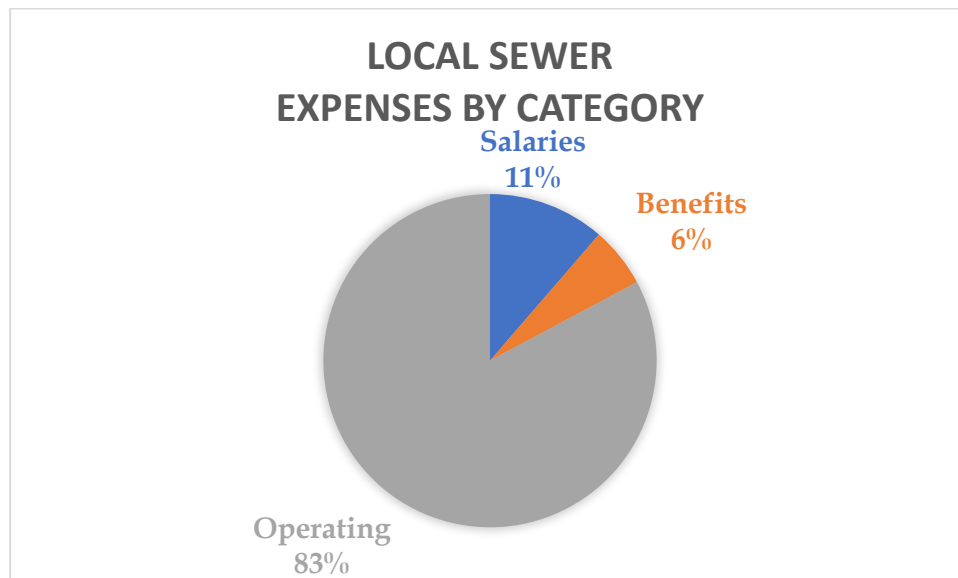
Expenses by Department

Administration	611,369.23	6%
Pumping	670,427.39	6%
Collection	1,788,012.99	17%
Debt and Transfers	7,288,615.16	70%
Total Expenses	10,358,424.77	1
Net Revenues	66,677.23	



Expenses by Category

	Salaries	Benefits	Operating	Total	FTEs'
Administration	296,088	148,734	166,547	611,369	4
Pumping	256,612	149,084	264,732	670,427	4
Collection	622,145	308,352	857,516	1,788,013	8
Debt and Transfers			7,288,615	7,288,615	
Total Expenses	1,174,845	606,170	8,577,410	10,358,425	16
				-	
Salaries	1,174,845	11%		-	
Benefits	606,170	6%			
Operating	8,577,410	83%			
	10,358,425	1			



The mission of the Local Sewer Pumping division is to ensure the environmentally safe collection and transfer of sanitary sewerage from our customers through our infrastructure system, with consistent quality and minimal interruption by providing maintenance, construction and emergency repairs to these sewer pumping systems throughout the City and service area.

The Local Sewer Pumping division is one of two divisions that make up the Local Sewer Fund, along with the Local Sewer Collection division. The Local Sewer Pumping division maintains and operates the Lake Worth Beach wastewater pump stations. There are 33 wastewater pump stations in the system. Ongoing maintenance, emergency repairs and upgrades are conducted on this system throughout the year. Common tasks performed by Sewer Pumping staff on the local sewer system include monitoring flows, clearing and re- pairing pumps, cleaning and degreasing the pump station wet wells, and other maintenance as required. Staff are available 24/7 for emergency call-outs. The division responds to emergency calls for wastewater pump station failures or issues, which are monitored through the Supervisory Control and Data Acquisition (SCADA) system which is viewed at the Water Treatment Plant, division office, and Master Pump Station.

The mission of the Local Sewer Collection division is to ensure environmentally safe collection and transfer of sanitary sewerage from our customers, with consistent quality and minimal interruption by providing maintenance, construction and emergency repairs to these sewer collection and transfer systems throughout the City. The Local Sewer Collection division is one of two divisions that make up the 403 Local Sewer Fund, along with the Local Sewer Pumping division. The Local Sewer Collection division maintains and operates the Lake Worth Beach wastewater collection system. This system is comprised of approximately 100 miles of 8-36" diameter pipe, 2,100 manholes, and sanitary sewer laterals and cleanouts that serve customers. Part of the collection system is sanitary sewer pump stations, which are maintained by the Local Sewer Pumping division. Ongoing maintenance, emergency repairs and upgrades are conducted on this system throughout the year. Other functions include maintenance of sewer backups, grease control, root control, repair/replacement of piping, televising and grouting of sewer lines. Staff are available 24/7 for emergency call-outs, hazardous spills, and clean up. The Local Sewer Collection division maintains a fats, oil and grease (FOG) program to inspect and regulate commercial facilities that produce oils and greases that can cause sewer backups. The division conducts annual inspections and provides reports noting compliance and any issues that need to be addressed. The division responds to emergency calls for sanitary sewer overflows and sanitary sewer backups in the pipe or into customer's properties. Repairs are made and the overflow or backup cleaned up promptly. The division also responds to sanitary sewer pipe and manhole collapses, sinkholes due to pipe collapse and various other repair needs. The division also performs inspections of new connections to the sanitary sewer system in the service area. The division installs new and replacement gravity sanitary sewer pipelines and manholes in the system as well as removing blockages, roots, and assesses the condition of the pipes. The division utilizes a video camera truck on a regular basis to identify and document the condition of the collection system.

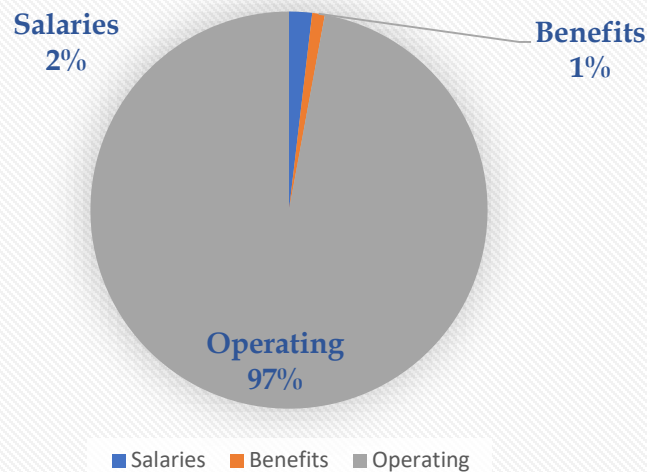
Regional Sewer Utility Fund

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. This department executes this transfer with consistent quality and minimal interruption by providing maintenance, operation and emergency repairs to the sewer collection and transfer system.

The Local Sewer Utility Fund activities consist of Pumping operations. The following is the FY 2023 budget summary.

	FY 2023 Proposed Budget					
<hr/>						
Revenues						
Member Fees for Service	10,368,052.00	100%				
Total Income	10,368,052.00	100%				
	-					
Expenditures						
Pumping	9,429,260.53	93%				
Debt and Transfers	738,208.00	7%				
Total Expenses	10,167,468.53	100%				
	-					
Net Revenues	200,583.47					
	-					
	Salaries	Benefits	Operating	Total	FTEs'	
Pumping	190,218	104,075.57	9,134,967	9,429,261	3	
Debt and Transfers			738,208	738,208		
Total Expenses	190,218	104,075.57	9,873,175	10,167,469	3	
Salaries	190,218	2%		-		
Benefits	104,076	1%				
Operating	9,873,175	97%				
	10,167,469	1.00				

Regional Sewer Expenses by Category



This Regional Sewer Pumping division maintains repairs, replaces and operates the Lake Worth Beach Sub regional wastewater system. This system is comprised of the Master Pump Station, a large diameter (36 and 42inch) pressure transmission pipe and associated gravity sewer inflow lines, meters and shared pump stations from sub-regional contract municipalities and organizations. Ongoing maintenance, repair and upgrades are conducted on this system throughout the year. Common tasks performed by Regional Sewer Pumping staff on the regional system include monitoring flows, clearing and repairing pumps, cleaning and degreasing the lift station wet wells, and other maintenance as required. Staff are available 24/7 for emergency call-outs. The day-to-day operations are carried out by a foreman and the associated lift station mechanics and electrician. The Water, Sewer, Storm Administrator supervises the foreman and performs procurement, work orders, payroll and various other duties. Rates and budgets are set annually with input from the sub-regional partners and a financial true-up calculation is performed at the end of each fiscal year. Funds not needed for operating or rehabilitation and replacement (R&R) are refunded to the partners. The City meets at least two times per year with the sub-regional partners to provide reports, both financial and comprehensive annual report of the system, as well as to review and discuss the proposed budgets, reports from Palm Beach County and from ECR. The Department director serves as the chair of the ECR board, which is comprised of 5 members from the various entities that contribute wastewater to the facility. The ECR wastewater treatment facility has increased operations and R&R charges over recent years to recover increased costs for operations and needed capital projects. These increases are passed through to the sub-regional partners, which includes the City.

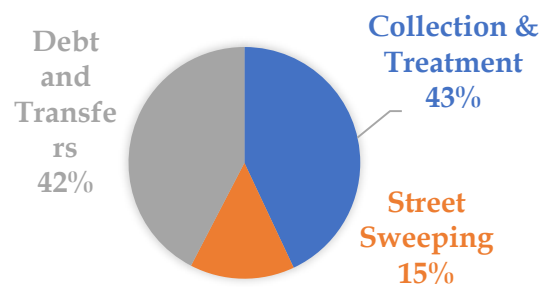
Stormwater Fund

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.

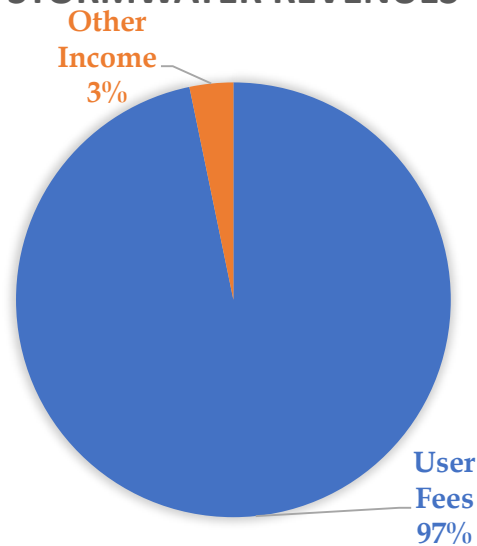
The Stormwater Fund activities consist of the following primary programs and services: Collections and Street sweeping. The following is the FY 2023 budget summary

	FY 2023 Proposed Budget	
Revenues		
User Fees	2,000,467.00	97%
Other Income	67,150.00	3%
Total Income	2,067,617.00	1
	-	
Expenditures		
Collection & Treatment Street	873,755.06	43%
Sweeping Debt and	297,039.70	15%
Transfers	861,005.00	42%
Total Expenses	2,031,799.76	1
	-	
Net Revenues	35,817.24	

**STORMWATER
EXPENSES BY DEPARTMENT**



STORMWATER REVENUES

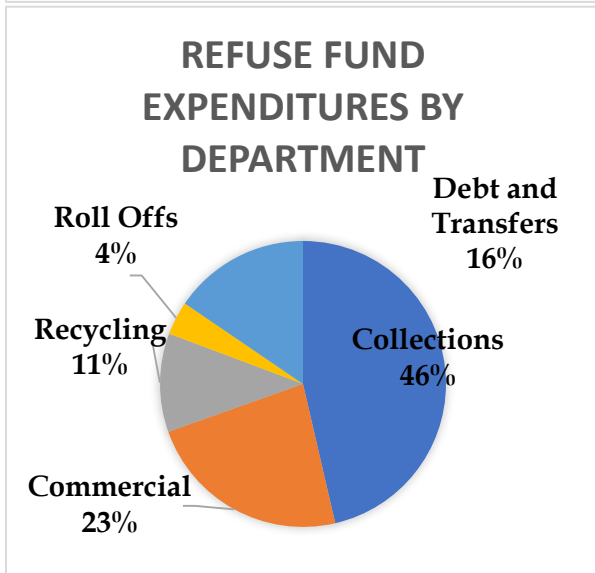
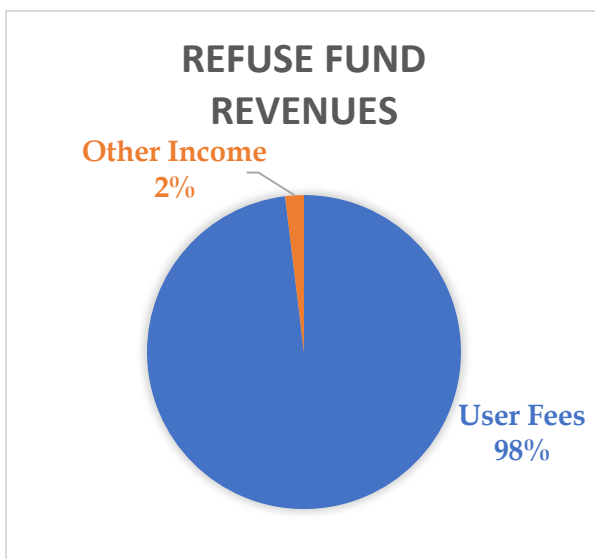


Stormwater carries out its mission by responding to all stormwater system service calls, maintaining the manholes, inlets, baffle boxes, nutrient separators, outfalls and piping system, clearing debris and structures that provide blockages, blasting and vacuuming out the debris, and closed-circuit televising of the piping system to assess the condition. Ongoing maintenance, emergency repairs and upgrades are conducted on this system throughout the year. The Stormwater Division works closely with the Streets division and oversees all maintenance and operations of the City's stormwater piping system which includes 24/7 emergency call-outs, the flushing or jetting of clogged lines (insuring that water quality remains clean per standard). The replacement or repair of aging or leaking lines, and the inspection of all new stormwater lines, manholes, baffle boxes, and catch basins and inlets in our service area. Work includes assisting customer service, preventative maintenance on the system, replacement of deficient piping infrastructure and emergency repairs to the stormwater lines throughout the City to maintain non-flooded roadways clear for residents and visitors alike. The stormwater piping network consists of approximately 55 miles of stormwater mains, 53 outfalls, 850 manholes, 1,900 catch basins, and 4 retention/ detention ponds. The piping includes mains sized from 6-inch through 36-inch and waterlines feeding services sized 2 inches and larger. The Stormwater Division also maintains structural controls as per National Pollutant Discharge Elimination System (NPDES) permit requirements. This division conducts inspections and maintains internal records for the City's Municipal Separate Storm Sewer System (MS4) permit, by keeping the system according to schedule, documenting inspections, and maintaining activities performed on structural controls owned, operated, and maintained by the City.

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.

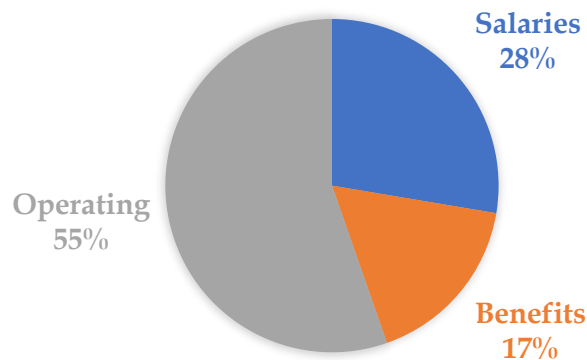
The Refuse Fund activities consist of the following primary programs and services: Collections, Commercial, Recycling, and Roll Offs. The following is the FY 2023 budget summary.



	FY 2023 Proposed Budget	
Revenues		
User Fees	6,570,423.00	98%
Other		
Income	129,150.00	2%
Total		
Income	6,699,573.00	1
	-	
Expenditures		
Collections	2,846,227.92	46%
Commercial	1,423,165.68	23%
Recycling	684,092.25	
Roll Offs	233,749.15	
Debt and		
Transfers	950,040.00	15%
Total		
Expenses	6,137,275.00	1
	-	
Net		
Revenues	562,298.00	

	Salaries	Benefits	Operating	Total	FTEs'
Collections	998,067	604,056	1,244,105	2,846,228	25
Commercial	312,565	199,427	911,174	1,423,166	6
Recycling	310,533	196,920	176,640	684,092	6
Roll Offs	75,646	43,158	114,945	233,749	1
Debt and Transfers	0	-	950,040	950,040	
Total Expenses	1,696,809	1,043,561	3,396,904	6,137,275	38
				-	
Salaries	1,696,809	28%		-	
Benefits	1,043,561	17%			
Operating	3,396,904	55%			
	6,137,275	1			

REFUSE FUND EXPENDITURES BY CATEGORY



The mission of the Solid Waste and Recycling division is to provide exceptional service to the residents and customers through on-time collection, community education and maintaining a litter-free City. The Solid Waste and Recycling division provides full-service solid waste collection to the residents of Lake Worth Beach. Unlike many providers within Palm Beach County, City residents pay a fixed yearly fee placed on the tax roll for “solid waste” services that includes twice weekly automated garbage and once a week automated recycling, yard waste, and once a month bulk waste collection. The division also provides a full spectrum of services for commercial customers including frontload container services and roll-off per contractor.

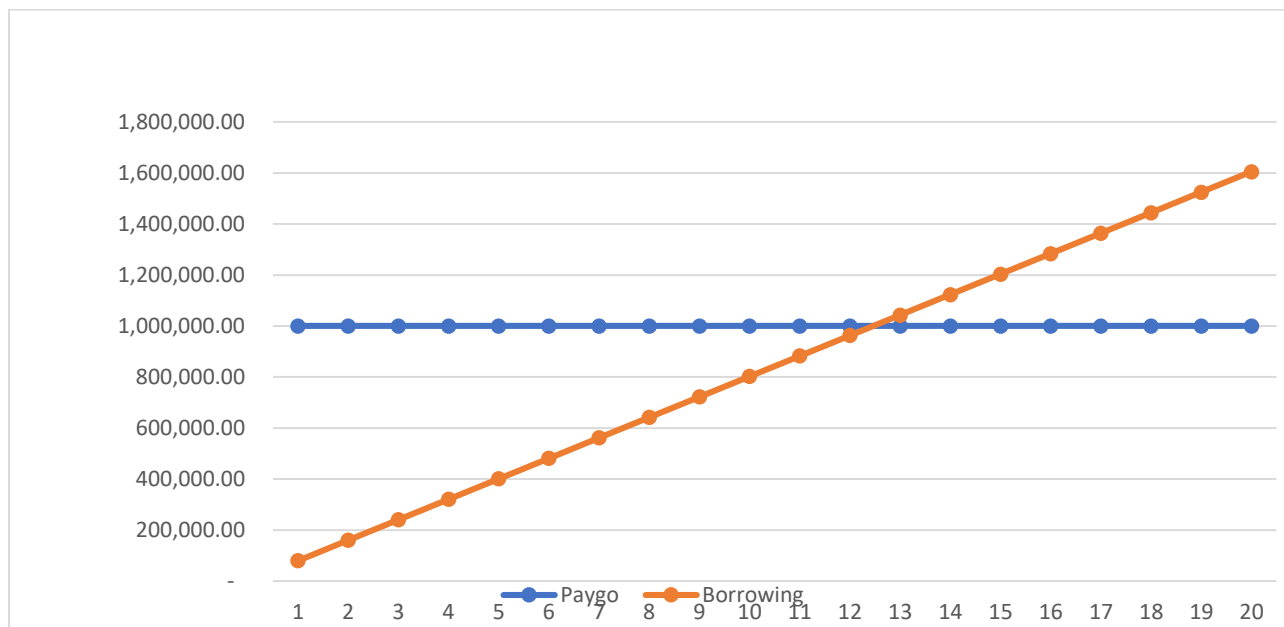
Refuse Administration is responsible for all supervisory and administrative duties in the Refuse division. Administration creates the weekly schedule, establishes routes, inspects equipment, schedules equipment maintenance and handles customer inquiries. The Residential Services division is responsible for providing timely and safe household refuse collection, at the curbside, from residences and some small businesses twice a week. Automated and semiautomated loading vehicles are used to collect refuse from customers. The Commercial Services division is responsible for providing the collection of commercial bins, compactors, and roll-off containers to customers who are required (by City ordinance) to use commercial container services (dumpsters) to dispose of their refuse. These customers are primarily business and multi-family residential complexes. Both front-end and semi-automated vehicles, specially designed to pick up bins and containers, are used to provide this service. The City currently provides collection service from two days a week to seven days a week, depending on volume. The Recycling division is responsible for implementing, monitoring, and administering the department's comprehensive Dual Stream recycling program. This includes curbside, multi-family and commercial recycling. Additional responsibilities include providing community education and outreach to improve participation and reduce contamination. Roll Off services are provided by contract with Waste Management. Roll-off containers are primarily for use on larger jobs, such as construction sites, that require large roll-off containers at competitive pricing. The division monitors the proper usage of roll-off containers and educates our citizens on contractual requirements to use Waste Management per the contract.

Challenges and Budget Drivers

The City of Lake Worth Beach continues to evaluate financial resources to fund multiple Citywide projects and ongoing operational budgets. Unlike prior years, ARPA funds are available for potential capital projects. Along with strong fiscal management during recent years, fund balance reserves are starting to grow, which also may be available to fund capital projects. As in prior years, the City continues to struggle with having sufficient funding for CIP, and therefore fiscal prudence needs to accompany all funding recommendations. As noted earlier, it is highly recommended that the City use the CIP rating criteria, as may be modified, to assist in the evaluation process.

Another issue that will face the City in the future is the City's assessed values. Over the last ten years the City has been very fortunate that property values have substantially increased year over year. Although this growth has allowed the City to maintain service levels, the City has not been able to substantially grow reserves which will be needed to offset declining property values if/when that outcome occurs. As the economy is cyclical, it is prudent that the City start "saving" tax revenues in its rainy-day fund.

The City needs to establish a dedicated operating funding source for road maintenance. Below is a graph that depicts the relationship between using a pay-go model versus a borrowing model. Option I, the blue line, is a pay-go model whereby it expends \$1 million from current revenues each year. Option II, orange line, is a borrowing model whereby it borrows \$1 million per year, then pays back the debt as annual debt service. The assumptions for the borrowing are; \$1M per year, at 5%, and for a term of 20 years. After twelve years, annual debt service would exceed the amount of a constant pay-go model and go every year thereafter.



Another way of thinking about this relationship is, for every \$1M borrowed, the City would pay an additional \$600,000 in interest cost, essentially \$12M over a 20-year period.

Operational budget drivers are relatively constant between fiscal years. They include;

- Salaries, at 3% which has an annual compounding impact
- Health Insurance- although a zero percent increase for FY 2023, this needs to remain on the City's radar.
- Pension- due to the financial markets, the ARC for FY 2023 realized limited increases. I suspect that future years will not realize the same market gains, which could result in significant increases in future years- recall that in FY 2022 the aggregate increase for pension contributions was approximately \$1M.
- Property and Liability insurance costs continue to rise- 15% for FY 2023.
- Fuel costs, not only as related to the Electric Utility, but also related to fleet operations.
- Several supplier contracts saw significant increases in FY 2023. Based on inflationary pressures, these increases could have ramifications for the FY 2024 budget.

It is important to keep the above budget drivers in mind when considering enhancements to the FY 2023 budget and the potential impact they may have on the budget. Although, and albeit relatively immaterial on an individual basis, the aggregate leads to budget creep which has unintended long-term consequences.

Respectfully Submitted,

Bruce T. Miller

Finance Director

Capital Program Ranking Criteria / Weights

Project Category - Weight 20%

- Essential Projects - this category includes capital projects that have a legal, safety, regulatory or other mandated minimum requirement whereby non-compliance would lead to legal action, fines, penalties or high risk of liability against the City. **Max Value; 100**
- Priority Projects - this category includes projects required to maintain critical components in a state of good repair. These projects are not mandatory but will maintain critical infrastructure at current service levels. **Max Value; 80**
- Efficiency or Cost Savings Projects - These projects have a positive breakeven over the life of the capital investment due to operational cost savings and will provide financial benefits in the future. **Max Value; 60**
- State of Good Repair/Lifecycle - This category includes projects that maintain existing capital infrastructure. These projects are not mandatory but if the project is not undertaken the current level of service/condition of the capital asset will decline. **Max Value; 40**
- Improvement (non-essential) - This category includes: projects that will increase current service level; new facilities; expansion of existing facilities or new initiatives **Max Value; 20**

Risk Assessment - the extent to which the project will address/mitigate risk to public health and/or occupational health and safety; Weight 15%

- Significant impact; **Max Value; 100**
- Moderate impact; **Max Value; 50**
- Low impact; **Max Value; 10**
- No impact; **Max Value; 0**

Financing - Weight 15%

- Financed entirely from external sources, ex., grants or 3rd party contributions, including 3P partnerships; **Max Value; 100**
- Financed from pay-go/current revenues; while maintaining Fund Balance Policies: **Max Value; 50**
- Financed with fund balance- staying within fund balance guidelines: **Max Value; 25**
- Bond Funded- staying within debt limits: **Max Value; 0**

Strategic Plan Alignment - Weight 10%

- Directly aligned with Strategic Plan and/or a Master Plan: **Max Value; 100**
- Indirectly linked to Strategic Plan and/or a Master Plan: **Max Value; 50**
- No alignment with any strategic goals: **Max Value; 0**

Cost/Benefit (Payback) - Project will generate cost savings and/or revenue enhancements that will provide a positive return on investment; Weight 10%

- Able to measure a positive ROI with a payback period of less than 7 years: **Max Value; 100**
- Able to measure a positive ROI with a payback period of greater than 7 years: **Max Value; 50**
- ROI difficult to measure: **Max Value; 0**

Operating Budget Impact - Incremental increase/decrease on operating budget as a result of the project- Weight 10%

- Significant decrease in operating costs, (> \$50,000): *Max Value; 100*
- Moderate decrease in operating costs, (between \$20,000 and \$50,000) *Max Value; 50*
- Marginal decrease in operating costs, (between \$5,000 and \$20,000) *Max Value; 25*
- Little or no impact on operating costs (+/- \$5,000) *Max Value; 0*
- Marginal increase in operating costs (between \$5,000 and \$20,000) *Max Value; -25*
- Moderate increase in operating costs (between \$20,000 and \$50,000) *Max Value; -50*
- Significant increase in operating costs (> \$50,000) *Max Value; -100*

Service Levels - Impact on the service levels to the public as a result of the project;

Weight 10%

- Addresses a current service level deficiency so level of service standard is achieved: *Max Value; 100*
- Increases level of service: *Max Value; 50*
- Has no impact on service delivery: *Max Value; 0*

Consolidation of Services - The project combines functions and services creating space efficiency and reduces staffing demands: Weight 5%

- Combines 3 or more functions/services: *Max Value; 100*
- Combines 2 or more functions/services: *Max Value; 50*
- No consolidation of functions/services: *Max Value; 0*

Community and Economic Impact - Impact on businesses and economy in terms of revenue generation (job creation, assessment growth, tourism etc.) Weight 5%

- Generates a significant economic benefit to the local economy: *Max Value; 100*
- Generates a moderate economic benefit for the local economy: *Max Value; 50*
- Limited, minimal or no economic benefit for the local economy: *Max Value; 0*