

RESOLUTION NO. 31-2023 OF THE CITY OF LAKE WORTH BEACH, FLORIDA, ESTABLISHING A RATE STABILIZATION FUND FOR THE ELECTRIC UTILITY; PROVIDING FOR REPEAL OF CONFLICTS AND AN EFFECTIVE DATE

WHEREAS, the Electric Utility of the City of Lake Worth Beach desires to maintain rates competitive with other utilities, mitigate against potential increased costs of purchased power, and provide rate stability for the customers of the Electric Utility; and

WHEREAS, due to sudden increases in the costs of natural gas in 2022-2023 and other factors impacting the City's power costs, the City is in need of a fund to assist in stabilizing the rates paid by the Electric Utility customers, which fund can assist in reducing the impact of sudden changes in the City's power costs; and

WHEREAS, consistent with the Electric Utility's desires and the City's desires, the City seeks to establish an Electric Utility Rate Stabilization Fund; and

WHEREAS, City Commission finds establishing a Rate Stabilization Funds serves a valid public purpose.

NOW THEREFORE BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LAKE WORTH BEACH, FLORIDA, that:

Section 1. The City hereby establishes a Rate Stabilization Fund for the purpose of maintaining rate competitiveness and rate stability by mitigating cost increases that would otherwise be passed along to the customers of the Electric Utility. The Rate Stabilization Fund shall be administered by the Electric Utility and Financial Services Departments.

Section 2. The City Commission authorizes the transfer of \$3,000,000 from the electric fund excess Power Cost Adjustment (PCA) revenues as of July 2023 into the Rate Stabilization Fund (Fund). The Fund will remain operational until the City Commission determines that the need for such Fund no longer exists.

Section 3. The Electric Utility, with the approval of the City Commission, will appropriate each year from the electric fund an amount not to exceed 20% of the expected annual PCA expense to the Rate Stabilization Fund.

Section 4. The City Commission shall have the sole authority to deposit funds into and withdraw funds from the Rate Stabilization Fund.

Section 5. All resolutions or parts of resolutions are hereby amended to the extent that they are in conflict with this Resolution.

Section 6. This Resolution shall become effective immediately upon passage.

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The passage of this resolution was moved by Commissioner _____, seconded by Commissioner _____, and upon being put to a vote, the vote was as follows:

Mayor Betty Resch
Vice Mayor Christopher McVoy
Commissioner Sarah Malega
Commissioner Kimberly Stokes
Commissioner Reinaldo Diaz

The Mayor thereupon declared this resolution duly passed and adopted on the ____ day of _____ 2023.

LAKE WORTH BEACH CITY COMMISSION

By: _____
Betty Resch, Mayor

ATTEST:

Melissa Ann Coyne, City Clerk