

2019 Utility Budgets and Rates: UAC Recommendations



Utility Advisory Committee
October 4, 2018

UAC'S ROLE

- RECOMMENDATIONS

- Utility Rates
- General facility charges (GFCs)
- Funding approaches
- 2019- 2014 Capital Facility Plan
- Other topics and concerns

- COUNCIL FINANCE COMMITTEE

- October 17th
- Written or verbal recommendations



UPDATES SINCE LAST UAC MEETING

- UAC LIFELINE RECOMMENDATION SUPPORTED BY FINANCE COMMITTEE
 - No rate increase
- TENTATIVE COUNCIL SUPPORT FOR UTILITY TAX INCREASE
 - 0.6 – 1.5% rate implication depending upon utility
- WASTE RESOURCES FUNDING STRATEGY SOLIDIFIED
- STAFF IS NOT PROPOSING A WASTEWATER RATE INCREASE
 - Previously 3.1%
 - Can cover expenditures in 2019
 - Need to audit accounts

CURRENTLY PROPOSED RATE INCREASES

Drinking Water	4.3%
Wastewater	0
Storm and Surface Water	5.1%
Waste ReSources	5.5%
LOTT	3%
Combined Rate Increase	3.5%

PROJECTED YEAR END BALANCES

(DECEMBER 2018)

Operating Budget

ABOVE RESERVES	PREVIOUSLY PROVIDED	UPDATED
Drinking Water	\$2,446,000	\$3,198,000+
Wastewater	\$2,815,000	\$2,526,000+
Storm and Surface Water	\$578,000	\$1,203,000+
Waste ReSources	\$1,028,000-	\$1,239,000-

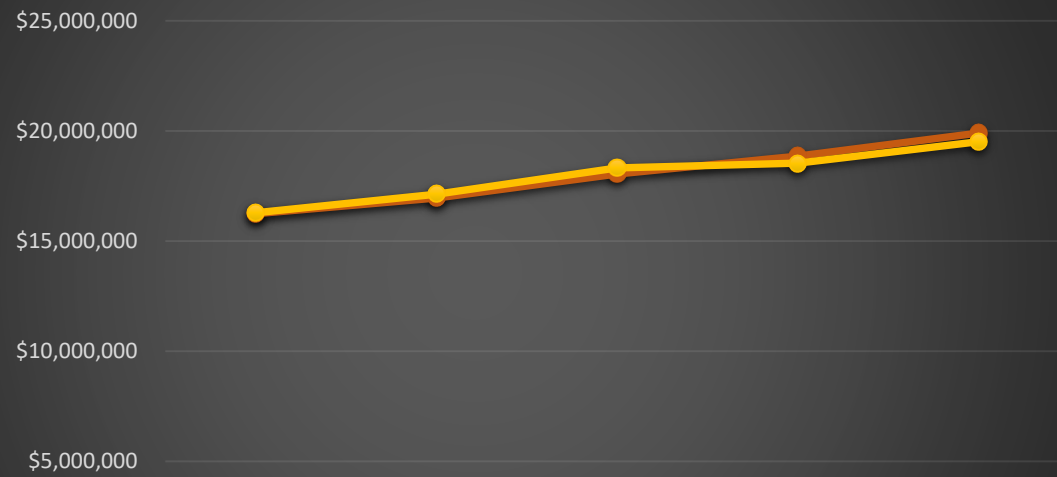
Capital Budget

ABOVE RESERVES	PREVIOUSLY PROVIDED
Drinking Water	\$2,502,000
Wastewater	\$7,080,000
Storm and Surface Water	\$532,000
Waste ReSources	N/A

Wastewater Utility

Revenues

Budgeted vs. Actual

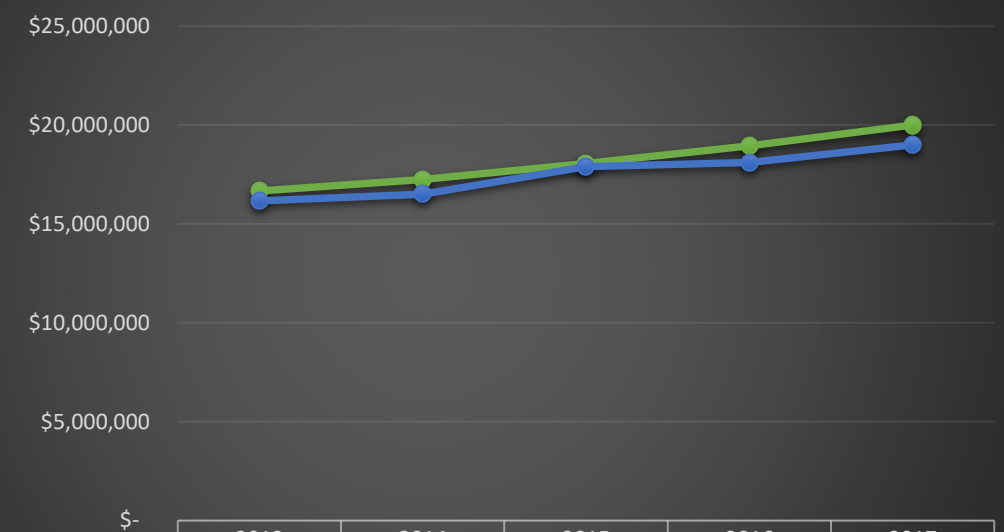


	2013	2014	2015	2016	2017
Budgeted Revenues	\$16,245,100	\$16,947,190	\$18,047,323	\$18,853,133	\$19,901,896
Actual Revenues	\$16,281,371	\$17,133,575	\$18,320,754	\$18,533,459	\$19,505,526

Wastewater Utility

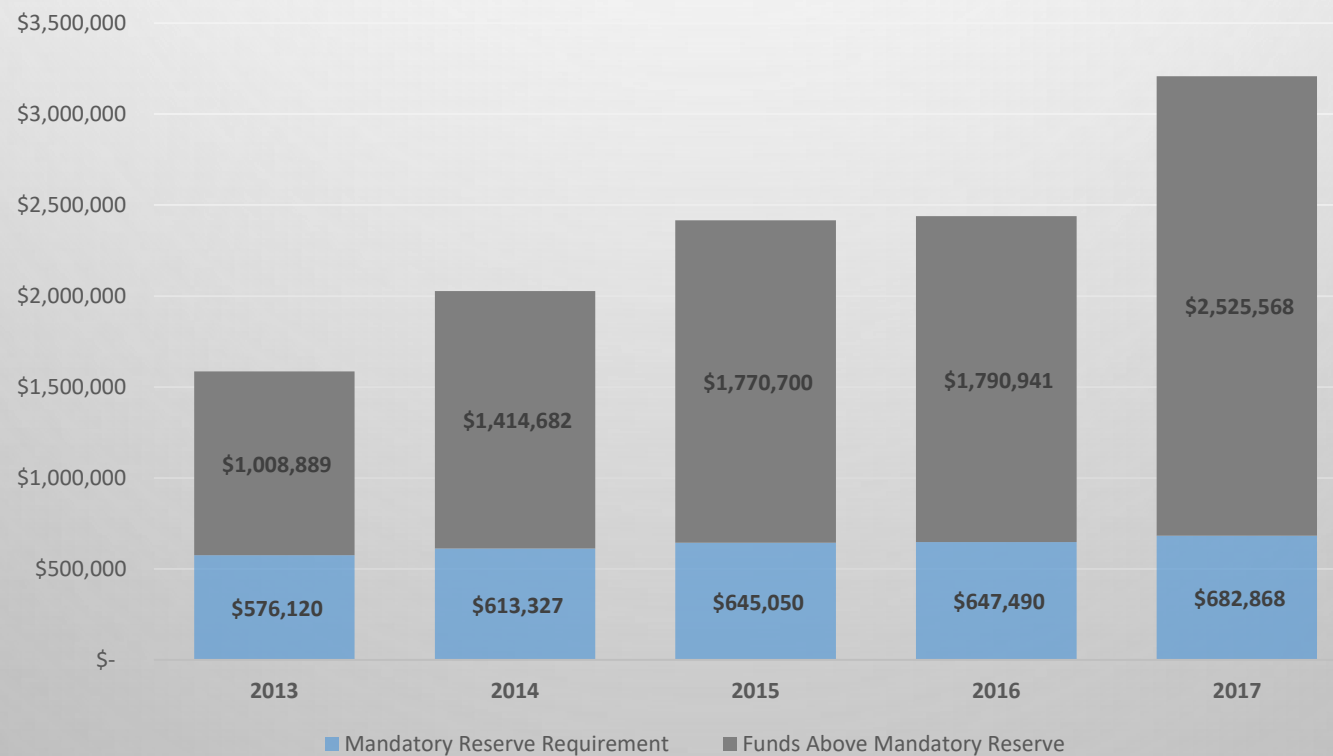
Expenditures

Budgeted vs. Actual

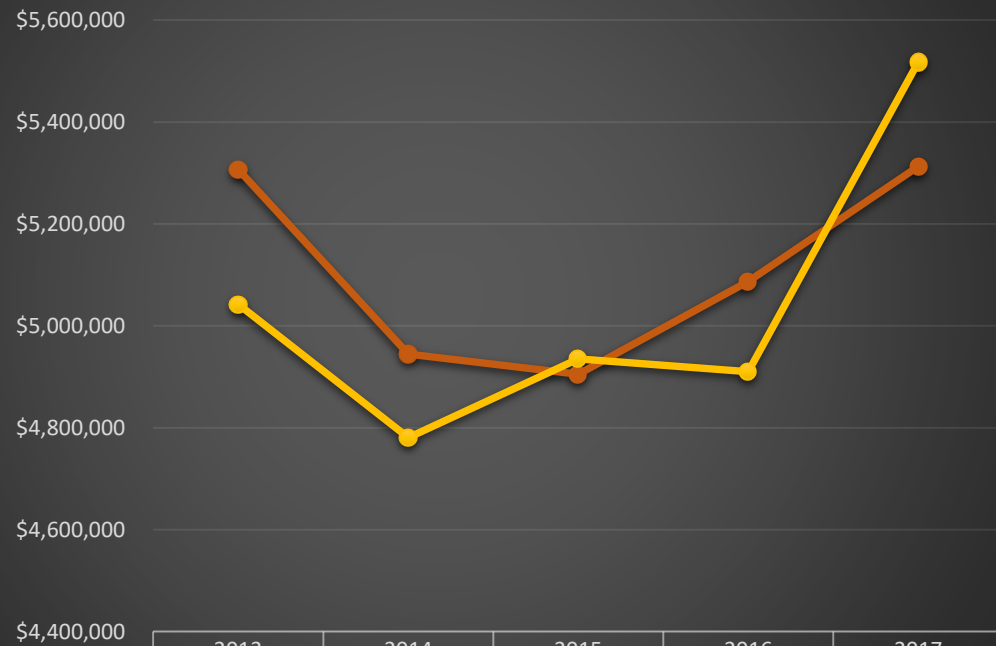


	2013	2014	2015	2016	2017
Budgeted Expenditures	\$16,667,718	\$17,245,728	\$18,056,079	\$18,944,350	\$19,998,535
Actual Expenditures	\$16,167,862	\$16,504,085	\$17,895,024	\$18,099,358	\$18,996,862

FUNDS ABOVE MANDATORY RESERVE Wastewater

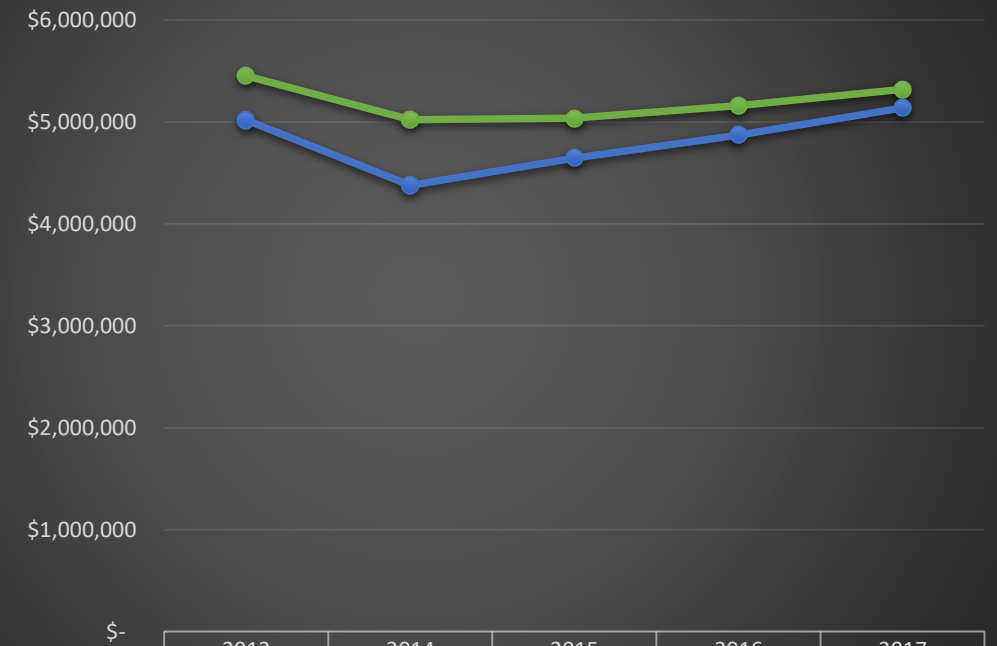


Storm & Surface Water Utility Revenues Budgeted vs. Actual



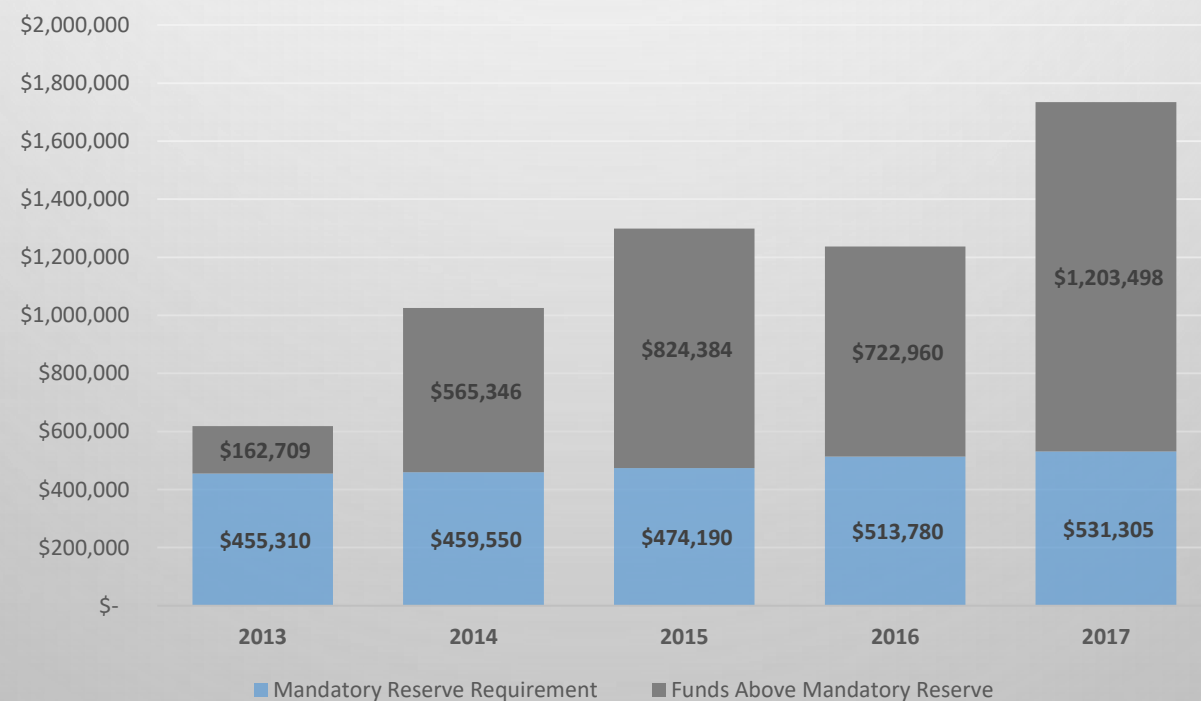
	2013	2014	2015	2016	2017
Budgeted Revenues	\$5,307,067	\$4,944,354	\$4,904,938	\$5,086,957	\$5,313,050
Actual Revenues	\$5,042,591	\$4,780,818	\$4,935,011	\$4,910,054	\$5,517,386

Storm & Surface Water Utility Expenditures Budgeted vs. Actual



	2013	2014	2015	2016	2017
Budgeted Expenditures	\$5,453,467	\$5,020,961	\$5,036,697	\$5,160,337	\$5,319,507
Actual Expenditures	\$5,018,072	\$4,378,763	\$4,646,867	\$4,873,124	\$5,139,364

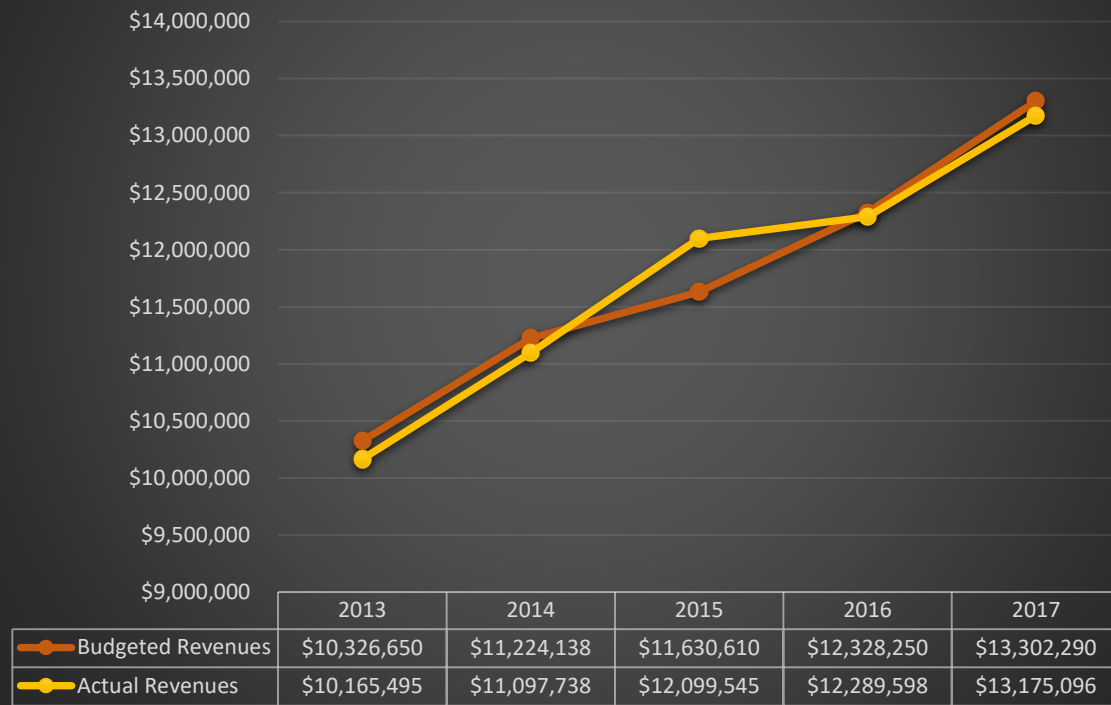
FUNDS ABOVE MANDATORY RESERVE STORM & SURFACE WATER



Drinking Water Utility

Revenues

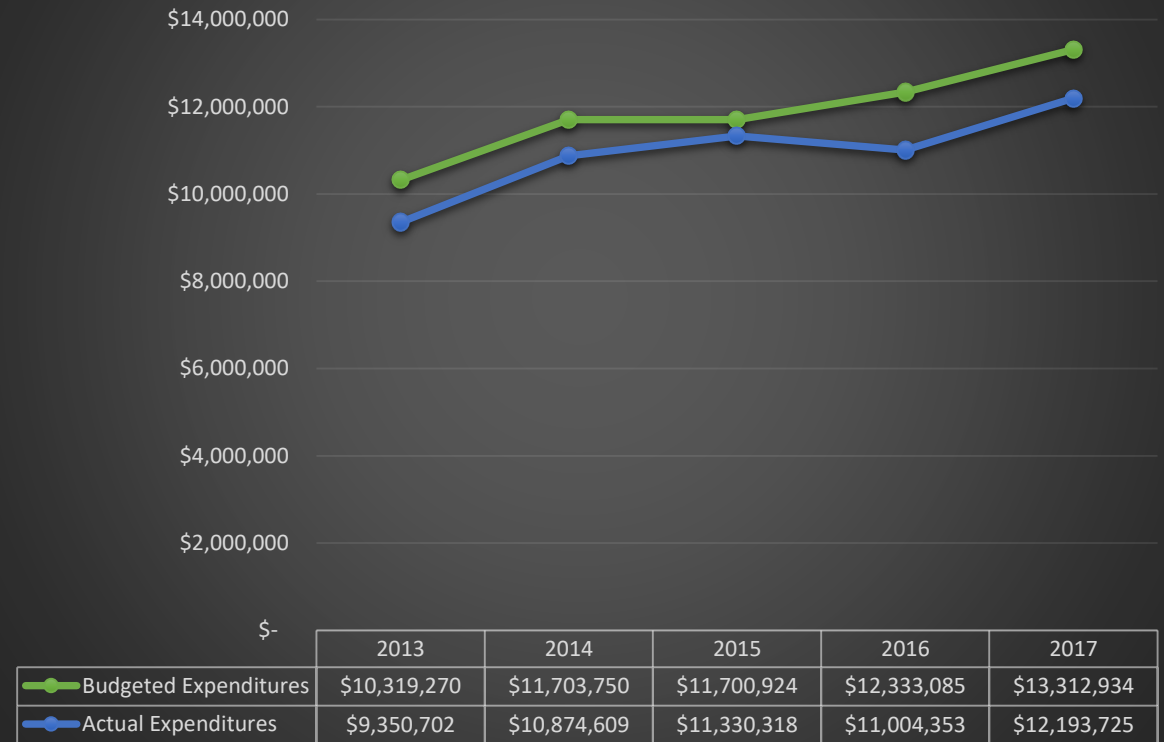
Budgeted vs. Actual



Drinking Water Utility

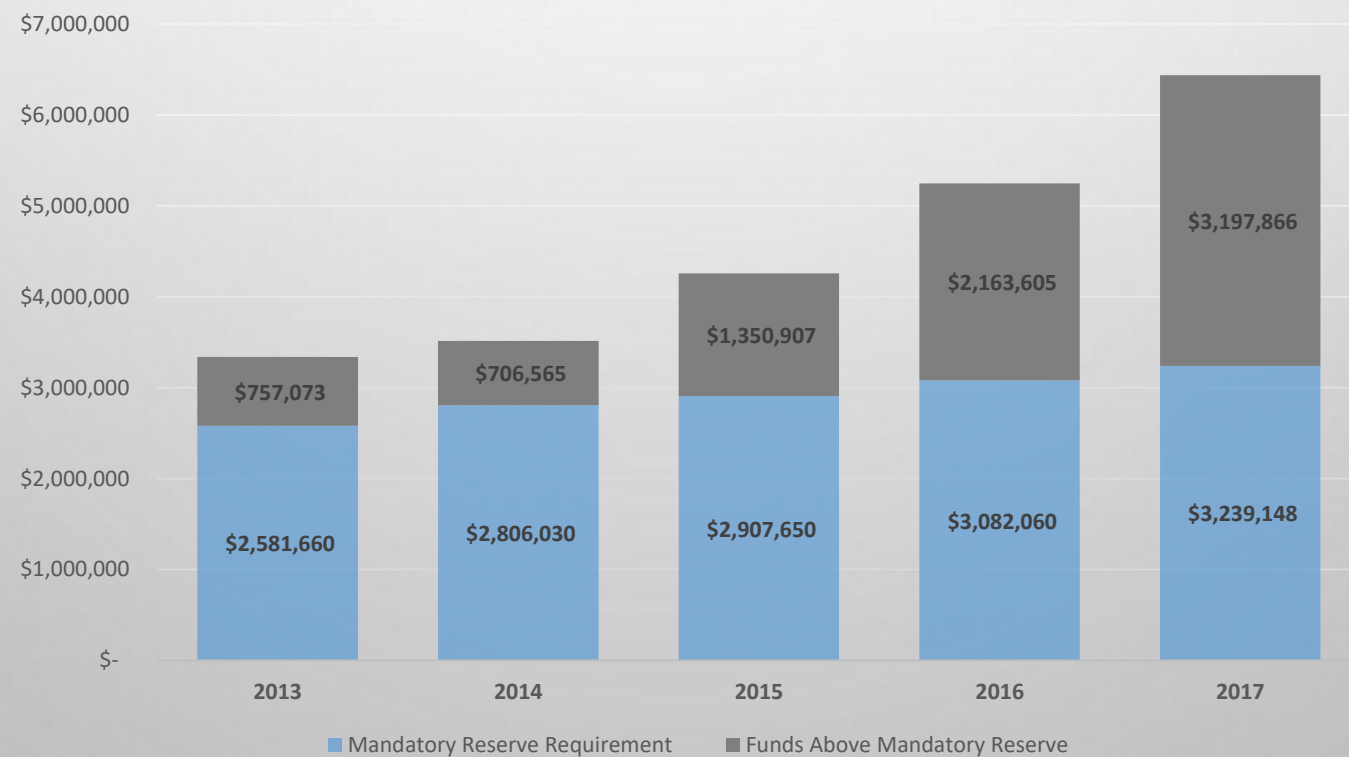
Expenditures

Budgeted vs. Actual



FUNDS ABOVE MANDATORY RESERVE

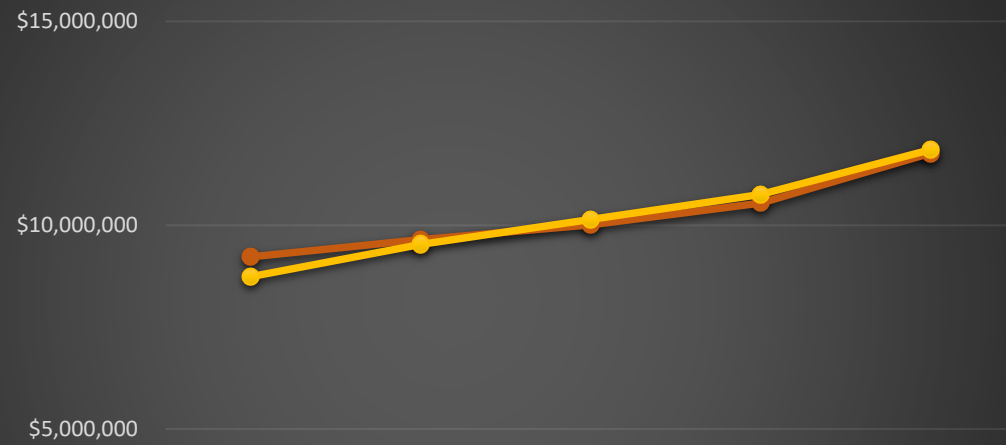
Drinking Water



Waste ReSources Utility

Revenues

Budgeted vs. Actual



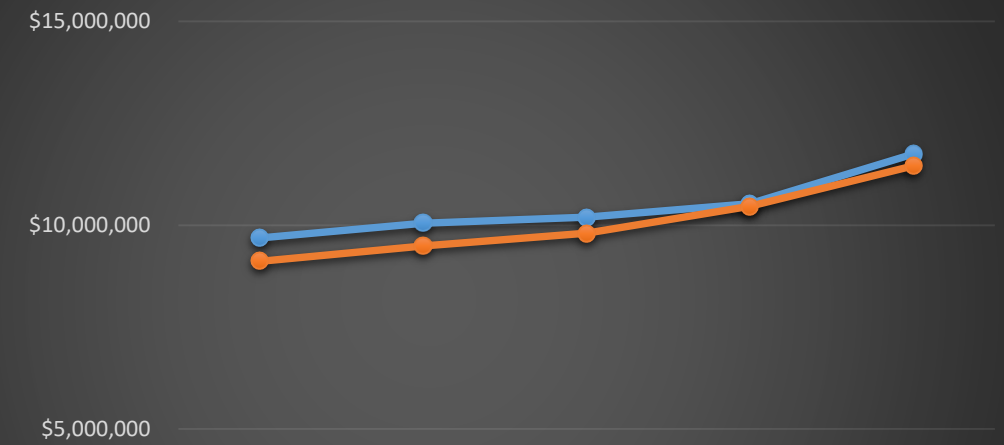
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	2013	2014	2015	2016	2017
Budgeted Revenues	\$9,226,906	\$9,645,923	\$10,008,528	\$10,547,363	\$11,764,820
Actual Revenues	\$8,741,155	\$9,532,697	\$10,139,835	\$10,752,796	\$11,852,574

Waste ReSources Utility

Expenditures

Budgeted vs. Actual

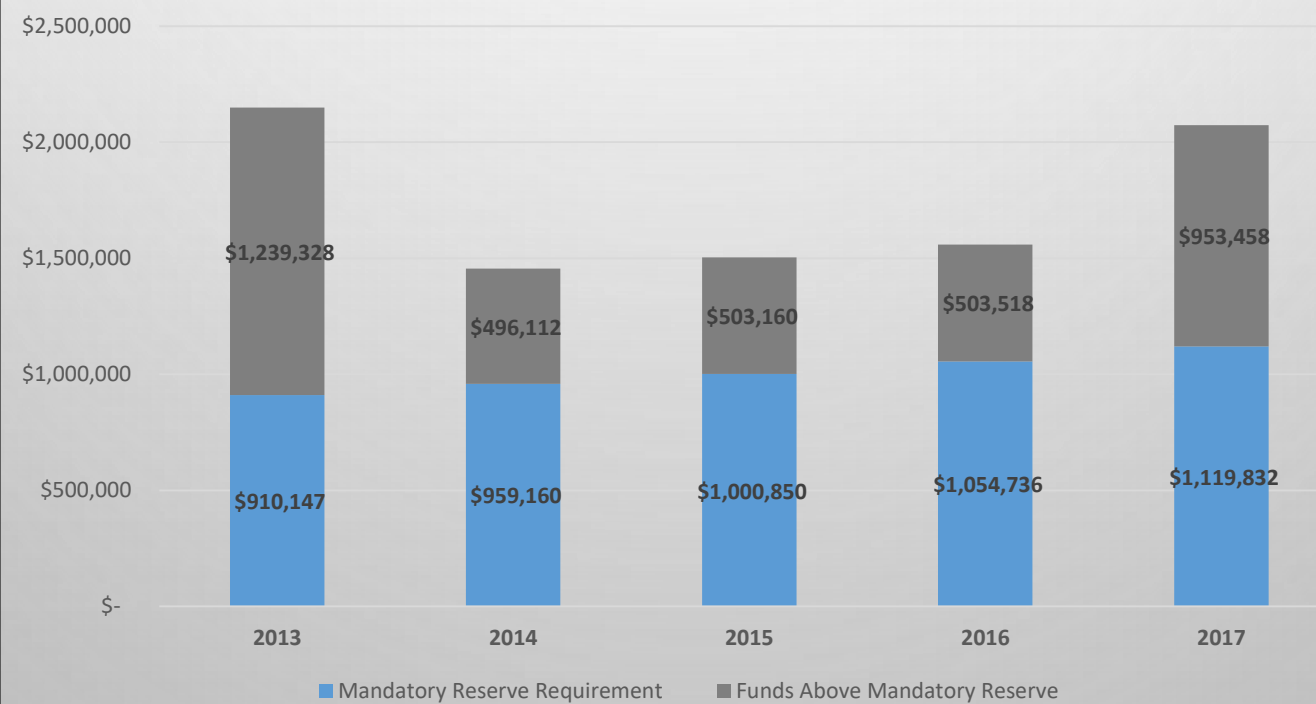


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	2013	2014	2015	2016	2017
Budgeted Expenditures	\$9,683,826	\$10,051,352	\$10,194,640	\$10,528,483	\$11,741,287
Actual Expenditures	\$9,115,620	\$9,491,489	\$9,803,275	\$10,461,305	\$11,457,328

FUNDS ABOVE MANDATORY RESERVE

Waste ReSources



DRINKING WATER

PROPOSED \$150,000 INCREASE IN CAPITAL PROJECT FUNDING?

- Capital funding below industry standards
- Discretionary
- 1.1% rate implication – 4.3% vs. 3.2%
- Combined rate implication – 3.5% vs. 3.2% increase
 - \$0.60 bimonthly cost



DISCRETIONARY INCREASES

- OVERALL – MUNICIPAL TAX INCREASE
- DRINKING WATER
 - Capital funding (\$150,000)
 - New employee (\$35,000, tentatively approved)
- WASTEWATER – NONE
- STORM AND SURFACE WATER
 - Sea level rise funding (\$125,000)
 - General facility charges (\$131/new single family residence)
- WASTE RESOURCES
 - Overall funding approach for recycle coverage
- LOTT – N/A



UAC RECOMMENDATIONS

