

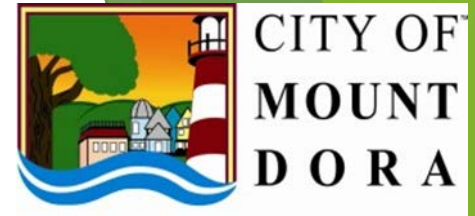


CITY OF
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CITY OF MOUNT DORA, FL

**BUDGET WORKSHOP
JUNE 24TH, 2021**

FY2022 Budget Overview



- ▶ Budget
 - ▶ Enterprise Funds Total Budget \$53,450,774
 - ▶ Capital Outlay of \$434,570
 - ▶ Capital Improvement Projects of \$14,207,939
- ▶ Salaries & Benefits
 - ▶ Pay and Classification Study
 - \$15 Minimum by 2026
 - Recruitment & Retention
 - ▶ Health Insurance 0% Increase
- ▶ Property & Casualty 5% Increase
- ▶ June CPI 5% increase over last 12 months
- ▶ Enterprise Debt - \$31,756,035

FY2022 Budget Overview



- ▶ Electric (410)
 - ▶ Overall rate is to remain the same
- ▶ Water / Wastewater (421)
 - ▶ 3.6% Increase per PRMG study
- ▶ Sanitation (430)
 - ▶ 2.5% Increase to \$20.73 monthly
 - ▶ Waste Pro contract to increase up to 2.0%
 - ▶ Re-evaluate rates by January 1, 2022
- ▶ Stormwater (440)
 - ▶ Increase \$0.50 to \$9.50 per PRMG study

Proprietary Funds

Utility Customer Base



- ▶ Electric (410)
 - ▶ Customer base
 - Number of Accounts - 5,783
- ▶ Water / Wastewater (421)
 - ▶ Customer base
 - Number of Water Accounts 9,871
 - Number of Wastewater Accounts 7,417
 - Number of Reclaimed Water Accounts 1,947
- ▶ Sanitation (430)
 - ▶ Customer base
 - Number of Accounts 6,181
- ▶ Stormwater (440)
 - ▶ Customer base
 - Number of Accounts 6,597

Electric Rates

► Base Rates

□ Resolution No. 2018-R-18

- Perform detailed rate study no less than every three years
- During a year when no rate study is performed - increase per Annual Price index - Florida Public Service Commission
- With the new base rate increase and power cost charge, the plan is to keep the overall rate with no increase.

Electric Rates & Power Cost



▶ Base Rates

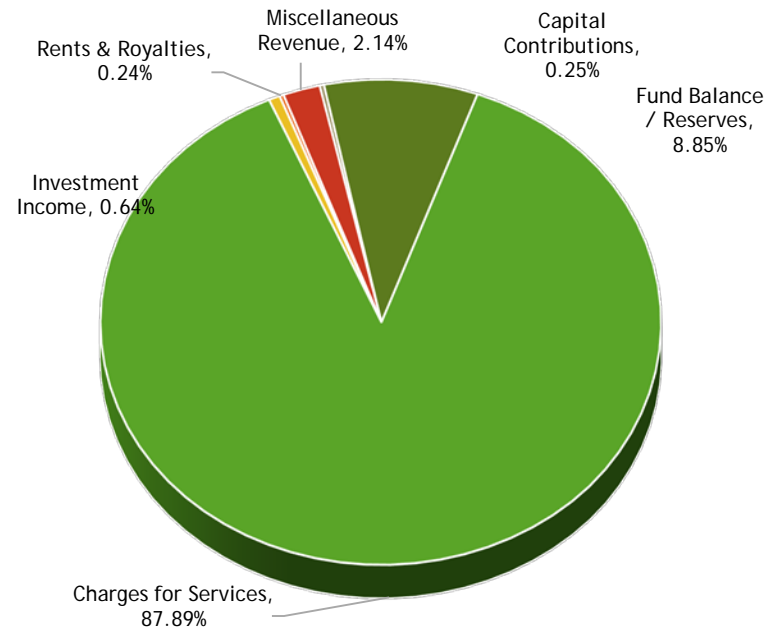
- ❑ Electric Rates consist of two major components
 - Power Cost
 - Base Rate
- ❑ Rates are adjusted every October and April

▶ Power Cost

- ❑ Power Cost Charge incorporates:
 - Wholesale power rate
 - Fuel cost projections
 - Transmission Services
- ❑ Power Cost charge is simply a “pass-through” mechanism to recover actual purchase power cost
- ❑ Power Cost Charge is updated every 6 months due to potential fluctuations energy sales and fuel costs

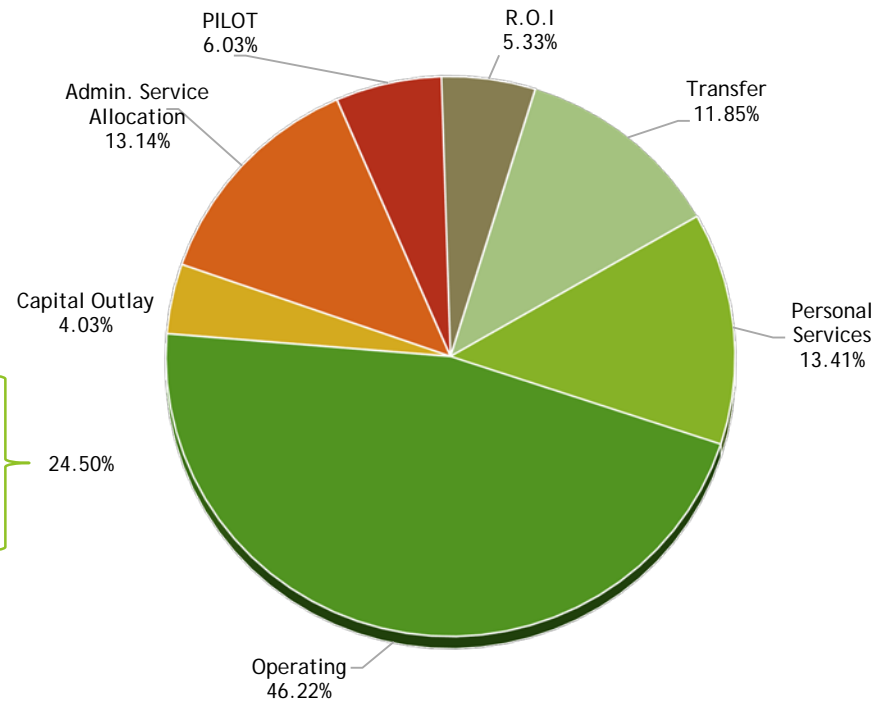
Electric Revenues

<u>Electric Fund Revenues</u>	<u>FY 2021/22 Proposed</u>	<u>% of Total</u>
Charges for Services	9,470,575	87.89%
Investment Income	69,146	0.64%
Rents and Royalties	25,384	0.24%
Miscellaneous Revenues	230,439	2.14%
Capital Contributions	26,400	0.25%
Utilization of reserves	953,069	8.85%
Total	\$ 10,775,013	100%



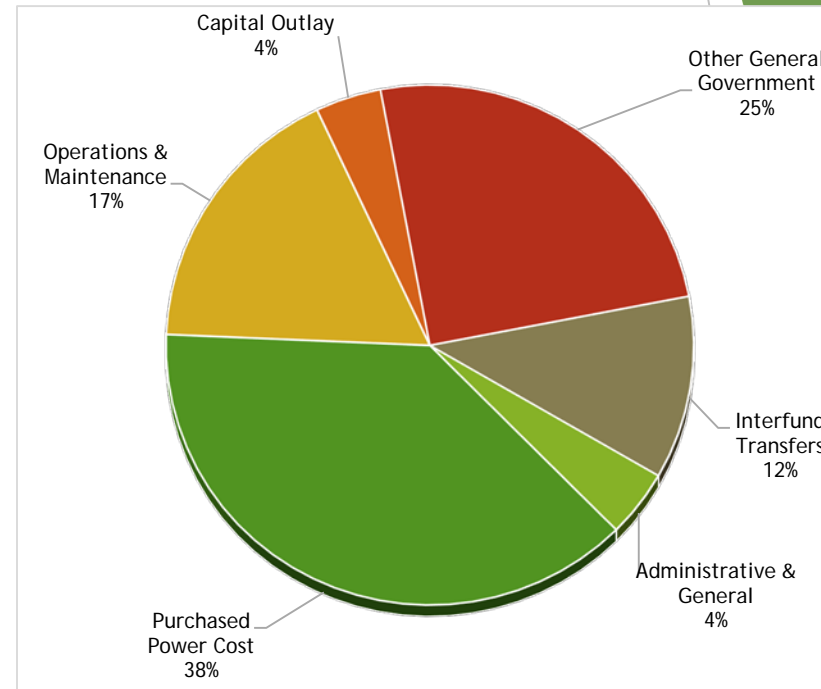
Electric Expenditures

<u>Electric Fund Expenditures</u>	<u>FY 2020/21 Proposed</u>	<u>% of Total</u>
Personal Services	1,444,440	13.41%
Operating	5,257,431	46.22%
Capital Outlay	434,570	4.03%
Admin. Service Allocation	1,415,353	13.14%
PILOT	649,450	6.03%
R.O.I	574,200	5.33%
Transfer to Capital, Insurance and Debt	1,276,469	11.85%
Total	\$ 11,775,013	100%



Electric Divisions

Electric Fund Division Expenditures	FY 2021/22 Proposed	% of Total
Administrative & General	450,758	4.18%
Purchased Power Cost	4,111,100	38.15%
Operations & Maintenance	1,863,113	17.29%
Capital Outlay	434,570	4.03%
Other General Government	2,691,822	24.98%
Inter-fund Transfers	1,223,650	11.36%
Total	\$ 10,775,013	100%

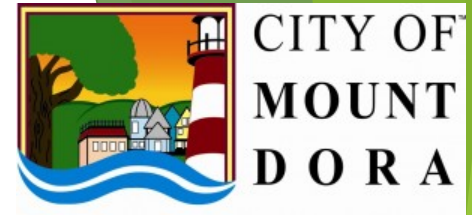


Capital Improvement Request Funded Electric (415)



➤ Advance Metering Infrastructure (AMI)	\$ 300,000
➤ Substation	350,000
➤ Commercial Underground Project (Royellou Upgrade)	184,200
Total	<u>834,200</u>

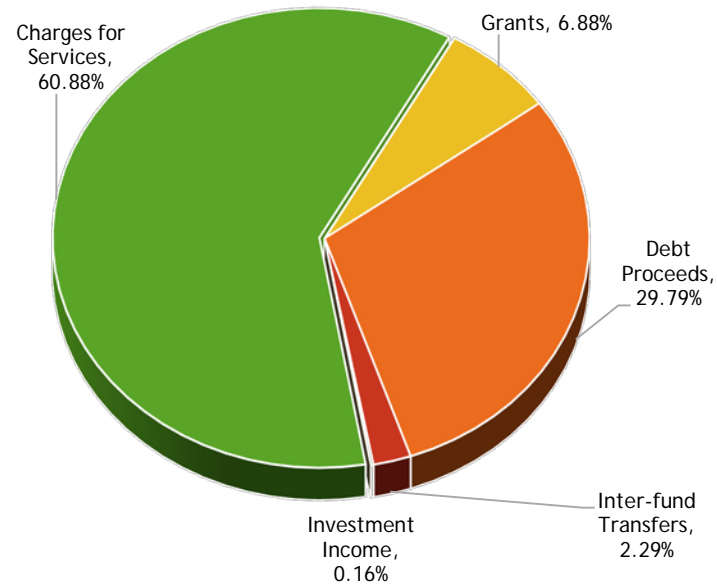
Water / Wastewater Rates



<u>Description</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>
Water	3.60%	3.60%	3.60%
Sewer	3.60%	3.60%	3.60%
Reclaimed	3.60%	3.60%	3.60%
Effective Date	10/1/2021	10/1/2022	10/1/2023
Per Resolution 2019-116 approved August 20, 2019			
Equalized Rate Index			

Water / Wastewater Revenues

Water / Wastewater Fund Revenues	FY 2021/22 Proposed	% of Total
Charges for Services	13,282,270	60.88%
SJWMD Grants	1,500,000	6.88%
SRF Debt Proceeds	6,500,000	29.79%
Transfer from Impact	500,000	2.29%
Investment Income	35,086	0.16%
Total	\$21,817,356	100%

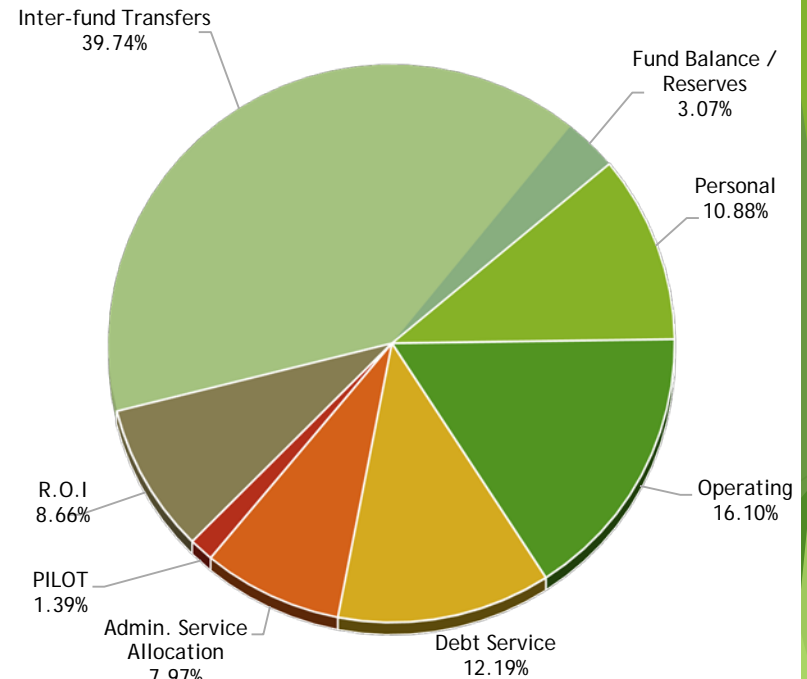




Water / Wastewater Expenditures

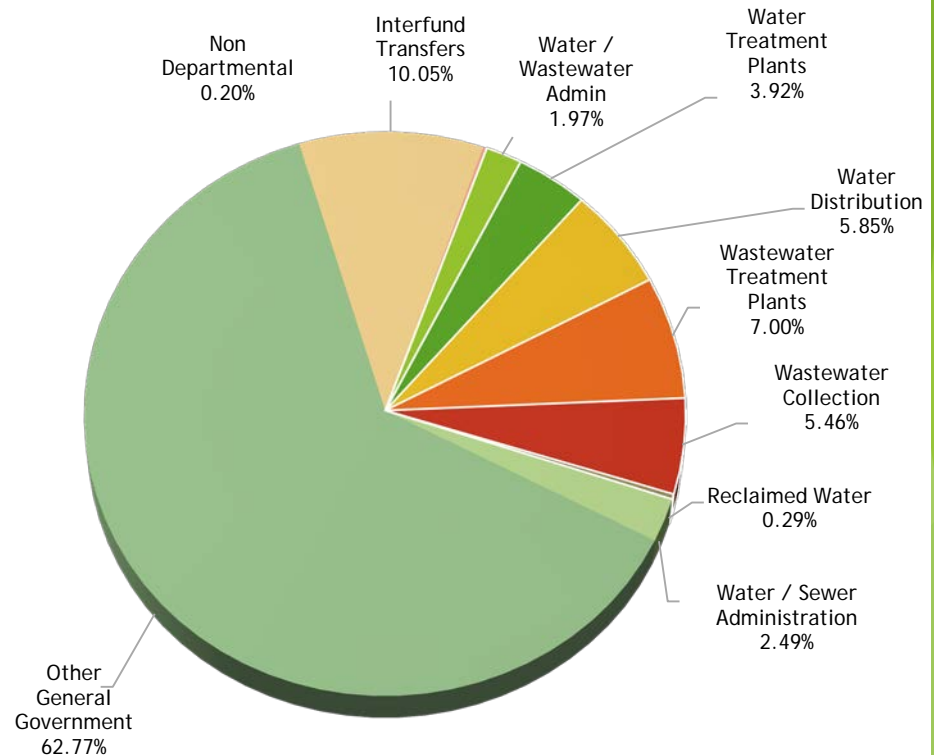
Water / Wastewater Fund Expenditures	FY2020/21 Proposed	% of Total
Personal	2,373,703	10.88%
Operating	3,512,785	16.10%
Debt Service	2,658,972	12.19%
Transfer to Capital	8,669,202	39.74%
Admin. Service Allocation	1,739,911	7.97%
PILOT	303,500	1.39%
R.O.I	1,889,750	8.66%
Utilization of reserves	669,533	3.07%
Total	\$ 21,817,356	100%

20.02%



Water / Wastewater Divisions

Water / Wastewater Fund Division Expenditures	FY2021/22 Proposed	% of Total
Water / Wastewater Admin	430,245	1.97%
Water Treatment Plants	855,478	3.92%
Water Distribution	1,276,499	5.85%
Wastewater Treatment Plants	1,526,289	7.00%
Wastewater Collection	1,191,565	5.46%
Reclaimed Water	64,205	0.29%
Water / Sewer Administration	542,207	2.49%
Other General Government	13,694,920	62.77%
Inter-fund Transfers	2,193,250	10.05%
Non Departmental	42,698	0.20%
Total \$	21,817,356	100%



Capital Improvements -funded W / WW (425)

➤ WWTP#1 Rehab Construction Phase I (SRF + SJWMD Grant)	\$ 8,000,000
➤ ARP - Automated Meters & Broadband connections	3,135,000
➤ ARP - Water Treatment Plant # 2 New Well	700,000
➤ ARP - Wastewater Treatment Plant#2 Odor Control	250,000
➤ ARP - Water Utility GIS	200,000
➤ ARP - Telemetry & SCADA Enhancement	175,000
➤ Limit Ave Reclaim Interconnect	145,000
➤ WWTP #2 Energy Efficiency	115,000
➤ Water Treatment Plant #1 High Service Pump replacement	84,000
➤ Alternative Water Supply	36,000
➤ Interconnect with City of Eustis	32,000
➤ Round Lake Elementary Water Main	20,000
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Total	\$ 12,892,000

Water / Wastewater

- ▶ Water / Wastewater Impact Fees
 - ❑ Waste Water Fund (422)
 - ❑ Available Balance \$1,618,969
 - ❑ Water Impact Fees (423)
 - ❑ Available Balance \$610,737

Sanitation Rates

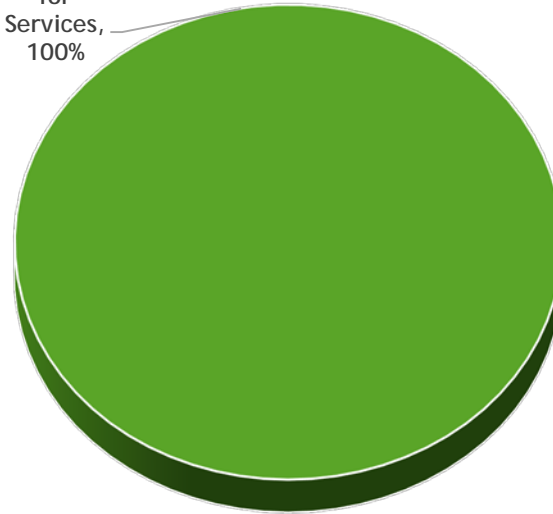


<u>Description</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>
Sanitation	\$ 20.73	\$ 21.21	21.21
Effective Date	10/1/2021	10/1/2022	10/1/2023
Per Resolution 2018-90 approved July 17, 2018			
Annual increase per (CPI) - Not to exceed \$21.21			

Sanitation Revenues

Sanitation Fund Revenues	FY 2021/22 Proposed	% of Total
Charges for Services	\$ 2,731,324	100%
Total	2,731,324	100%

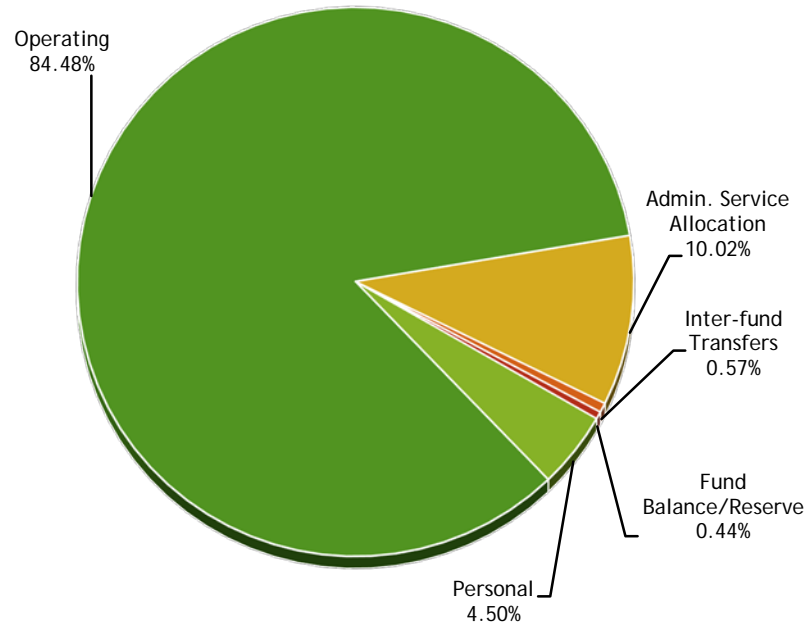
Charges for Services, 100%



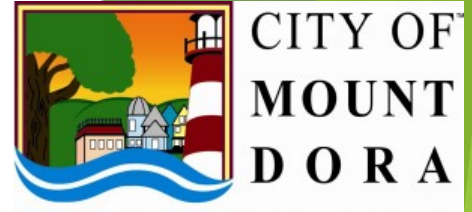


Sanitation Expenditures

Sanitation Fund Expenditures	FY 2021/22 Proposed	% of Total
Personal	\$ 122,795	4.50%
Operating	2,307,429	84.48%
Admin. Service Allocation	273,656	10.02%
Inter-fund Transfers	15,460	0.57%
Addition to Reserves	11,984	0.44%
Total	\$ 2,731,324	100%



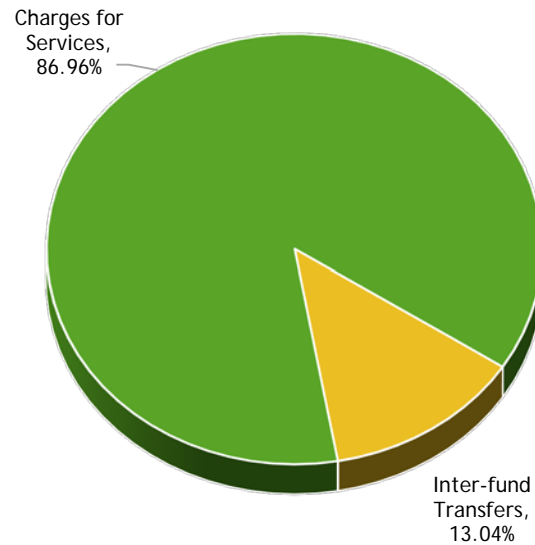
Stormwater Rates



<u>Description</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>
Stormwater	\$ 9.50	\$ 10.00	\$ 10.50
Effective Date	10/1/2021	10/1/2022	10/1/2023
Per Resolution 2019-116 approved August 20, 2019			
Rate increase of \$0.50 per year for years 2 thru 5			

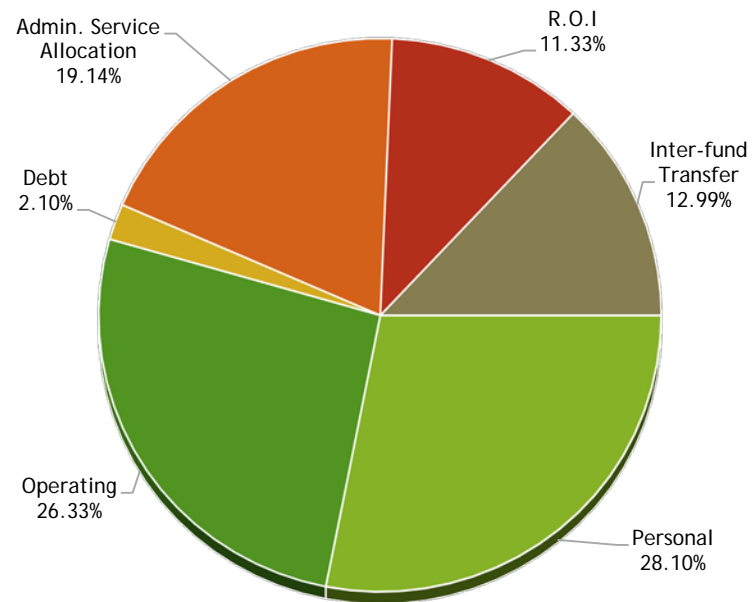
Stormwater Revenues

Stormwater Fund Revenues	FY 2021/22 Proposed	% of Total
Charges for Services	\$ 1,437,344	87.0%
Transfers from W/WW	215,609	13.0%
Total	\$ 1,652,953	100%



Stormwater Expenditures

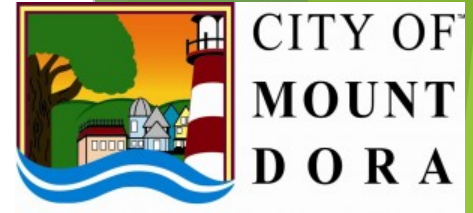
Stormwater Fund Expenditures	FY 2021/22 Proposed	% of Total
Personal	\$ 464,474	28.10%
Operating	435,282	26.33%
Debt	34,710	2.10%
Admin. Service Allocation	316,353	19.14%
R.O.I	187,350	11.33%
Transfer to Capital and Insurance	214,784	12.99%
Total	\$ 1,652,953	100%



Capital Improvement Request Funded Stormwater (445)



➤ Liberty Ave Stormwater Treatment Project	\$ 345,739
➤ Boardwalk Drainage and Slope Stabilization	75,000
➤ Hilltop Dr Drainage Improvement (addt.)	<u>61,000</u>
Total	\$ 481,739

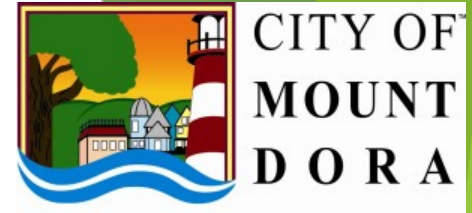


Internal Service Funds

Internal Service Funds

- ▶ **Vehicle Replacement Fund (501)**
 - ❑ Funds the replacement of vehicles
 - ❑ General Fund
 - ❑ Protective Inspections
 - ❑ Internal Loans are indexed to Florida SBA
 - ❑ Currently available \$1,591,357

Internal Service Funds



▶ Self Insured (510)

- ❑ Funds the Health and Life insurance cost for employees and retirees
- ❑ No Rate increase for FY 2022

▶ Revenues

▶ City Premiums	\$ 2,836,657
▶ Employee Premiums	379,374
▶ Retiree Premiums	<u>55,194</u>
▶ Total	3,271,225

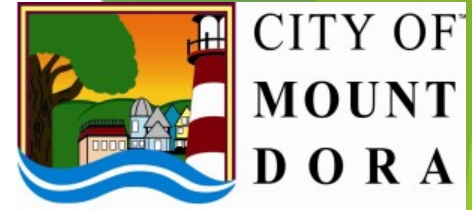
▶ Expenditures

▶ Claims	\$ 1,635,763
▶ Stop Loss	479,636
▶ Clinic	711,941
▶ ASO	<u>203,112</u>
▶ Total	3,030,452

▶ Excess \$ 240,773

(To cover high claims and / or future year rate stabilization)

Internal Service Funds



- ▶ **Property / Casualty / Workers Compensation Fund (515)**
 - ❑ Assumed 5% increase for FY 2022
 - ❑ Charged to Operating Funds based on
 - Prior Year Adopted Budget of Operating Funds
 - Asset Value per CAFR
 - Position budgeting by fund
 - Vehicle count by fund
 - Equipment by Fund
 - ❑ Total citywide premium for FY2022 - \$1,056,018

Summary



▶ Enterprise Rate Increases

▶ Electric

- Overall rate is to remain flat until at least April 2022
- Water / Wastewater
- 3.6% Increase per PRMG study

▶ Sanitation

- 2.5% Increase to \$20.73 monthly
- Waste Management contract to increase up to 1.4%
- Re-evaluate rates by January 1, 2022

▶ Stormwater

- Increase \$0.50 to \$9.50 per PRMG study

▶ Cost Allocation / Indirect Cost methodology review

Utilities Cost allocation

UTILITIES COST ALLOCATION

ELECTRIC FUND 410		Proposed FY 2022	Adopted FY 2021	Actual FY 2020	Actual FY 2019	Actual FY 2018	Actual FY 2017
410-5810-581.00-01	ADMINISTRATIVE SERVICES ALLOCATION	\$ 1,415,353	\$ 1,562,315	\$ 700,949	\$ 579,534	\$ 501,415	\$ 771,100
410-5810-591.04-00	PAYMENT IN LIEU OF TAXES	649,450	669,350	632,325	673,050	647,550	588,000
410-5810-591.05-00	RETURN ON INVESTMENT	574,200	644,400	640,350	595,550	661,750	666,688
TOTAL		\$ 2,639,003	\$ 2,876,065	\$ 1,973,624	\$ 1,848,134	\$ 1,810,715	\$ 2,025,788
WATER/WASTEWATER FUND 421		Proposed FY 2022	Adopted FY 2021	Actual FY 2020	Actual FY 2019	Actual FY 2018	Actual FY 2017
421-5810-581.00-01	ADMINISTRATIVE SERVICES ALLOCATION	\$ 1,739,911	\$ 1,866,717	\$ 2,206,074	\$ 1,925,217	\$ 1,693,287	\$ 1,133,700
421-5810-591.04-00	PAYMENT IN LIEU OF TAXES	303,500	289,000	212,038	271,800	214,350	203,500
421-5810-591.05-00	RETURN ON INVESTMENT	1,889,750	1,799,000	1,421,213	1,183,150	1,171,250	1,568,050
TOTAL		\$ 3,933,161	\$ 3,954,717	\$ 3,839,325	\$ 3,380,167	\$ 3,078,887	\$ 2,905,250
STORMWATER FUND 440		Proposed FY 2022	Adopted FY 2021	Actual FY 2020	Actual FY 2019	Actual FY 2018	Actual FY 2017
440-5370-581.00-01	ADMINISTRATIVE SERVICES ALLOCATION	\$ 316,353	\$ 334,278	\$ 368,933	\$ -	\$ 275,759	\$ 104,900
440-5370-591.05-00	RETURN ON INVESTMENT	187,350	179,150	162,988	128,750	144,350	209,400
TOTAL		\$ 503,703	\$ 513,428	\$ 531,921	\$ 128,750	\$ 420,109	\$ 314,300
ENTERPRISE TOTAL		\$ 7,075,867	\$ 7,344,210	\$ 6,344,870	\$ 5,357,051	\$ 5,309,711	\$ 5,245,338
GENERAL FUND BUDGET		-	21,689,397	20,619,471	20,236,218	18,359,736	15,867,703
PAYMENT AS A % OF OVERALL BUDGET			33.9%	30.8%	26.5%	28.9%	33.1%



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NEXT STEPS

- ❑ General Fund, Special Revenue & Capital Projects - July 8th at 9am
- ❑ Set Maximum millage - July 20th - During regular Council Meeting
- ❑ Trim Notice - August 2020
- ❑ Final Budget Workshop - September 7th at 1pm
- ❑ Set Maximum millage - Public Hearings
 - ❑ 1st Public Hearing - September 7th at 5:30 (Adopt Tentative Millage and Budget)
 - ❑ 2nd Public Hearing - September 21st at 5:30 (Adopt Final Millage and Budget)

QUESTIONS

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