



**Peace River
Manasota**

Regional Water Supply Authority



Regional Water Supply Authority

**Manasota
Peace River**

TENTATIVE BUDGET FOR FY 2024

Authority Board Meeting
April 5, 2023

Tentative Budget for FY 2024

FY 2024 TENTATIVE BUDGET

Vision Statement

'Through cooperation and collaboration the Authority and its customers shall create, maintain and expand a sustainable, interconnected regional water supply system.'

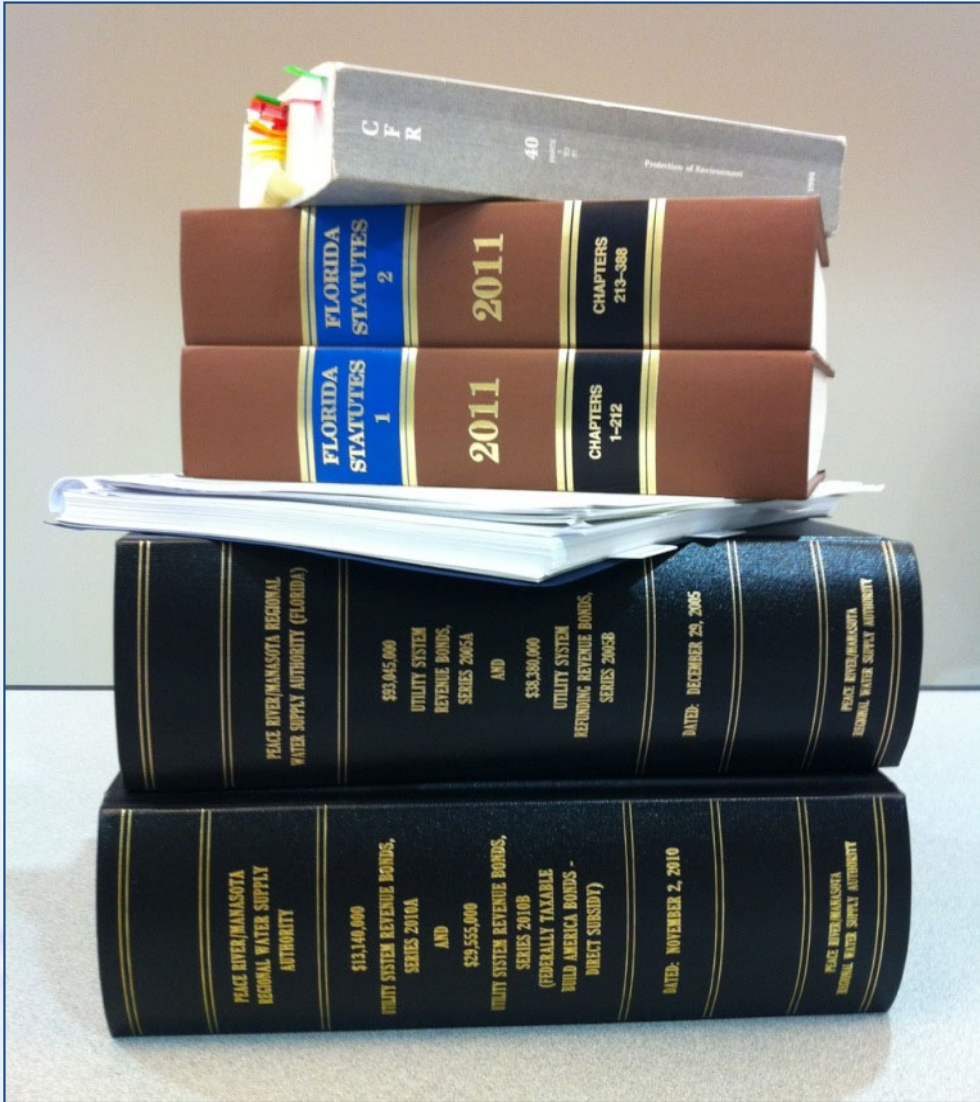
Mission Statement

'To provide the region with a high quality, safe drinking water supply that is reliable, sustainable and protective of our natural resources now and into the future.'



Tentative Budget for FY 2024

Budget Documents



- Second Amended Interlocal Agreement Creating the Peace River Manasota Regional Water Supply Authority (Amended 2005)
- Peace River Manasota Regional Water Supply Authority Master Water Supply Contract (Amended 2015)
- Resolution 2005-08 'Resolution Setting Forth Rate Setting Methodology' (Oct. 2005)
- Utility System Revenue Bonds
 - Series 2020
 - Series 2015
 - Series 2014B
- Budget Policies (Aug. 2020)
- 5-Year CIP and 20-Year CNA
- Strategic Plan for Peace River Manasota Regional Water Supply Authority (Revised 2021)

Tentative Budget for FY 2023

Budget Obligations

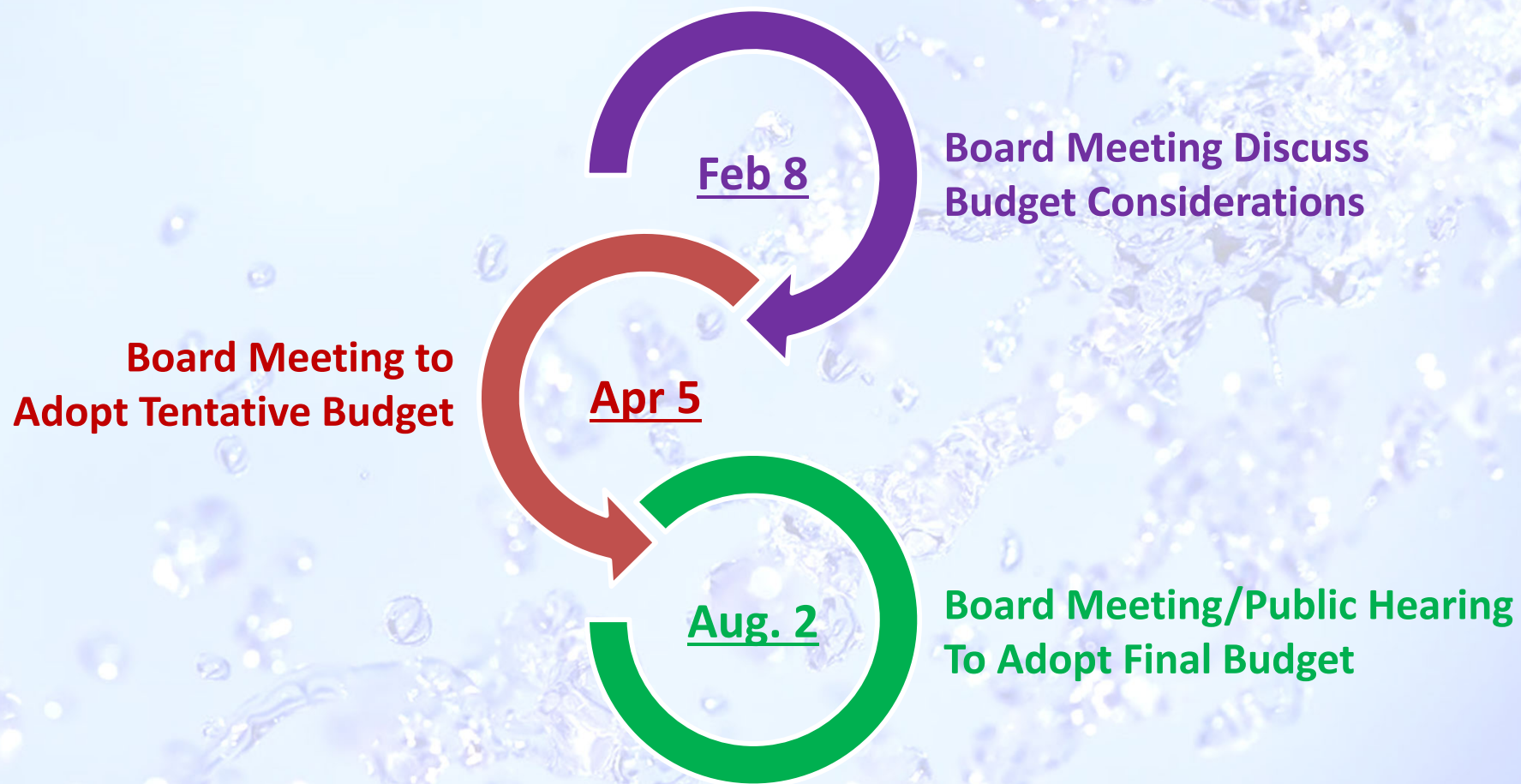


The Authority is contractually obligated to provide a reliable, safe and secure water supply to the region.

- MWSC water allocations [34.7 MGD]
- Customer demand projections [32 MGD]
- Efficient and cost-effective operations
- Appropriate investment to maintain infrastructure
- Plan for long term water demands
- Maintain financial stability/bond rating
- Maintain reasonable water rates

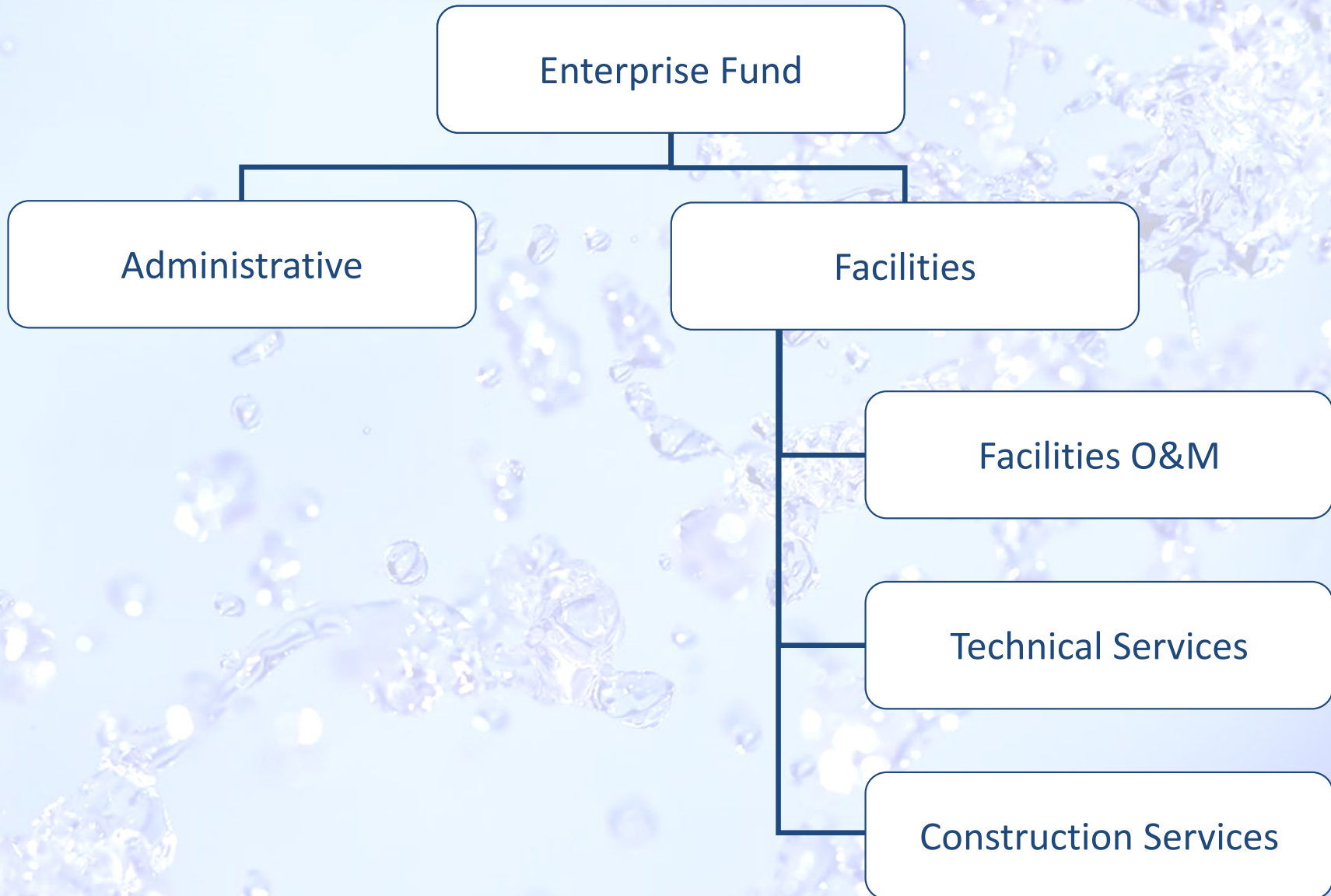
Tentative Budget for FY 2024

Budget Calendar



Tentative Budget for FY 2024

Enterprise Fund



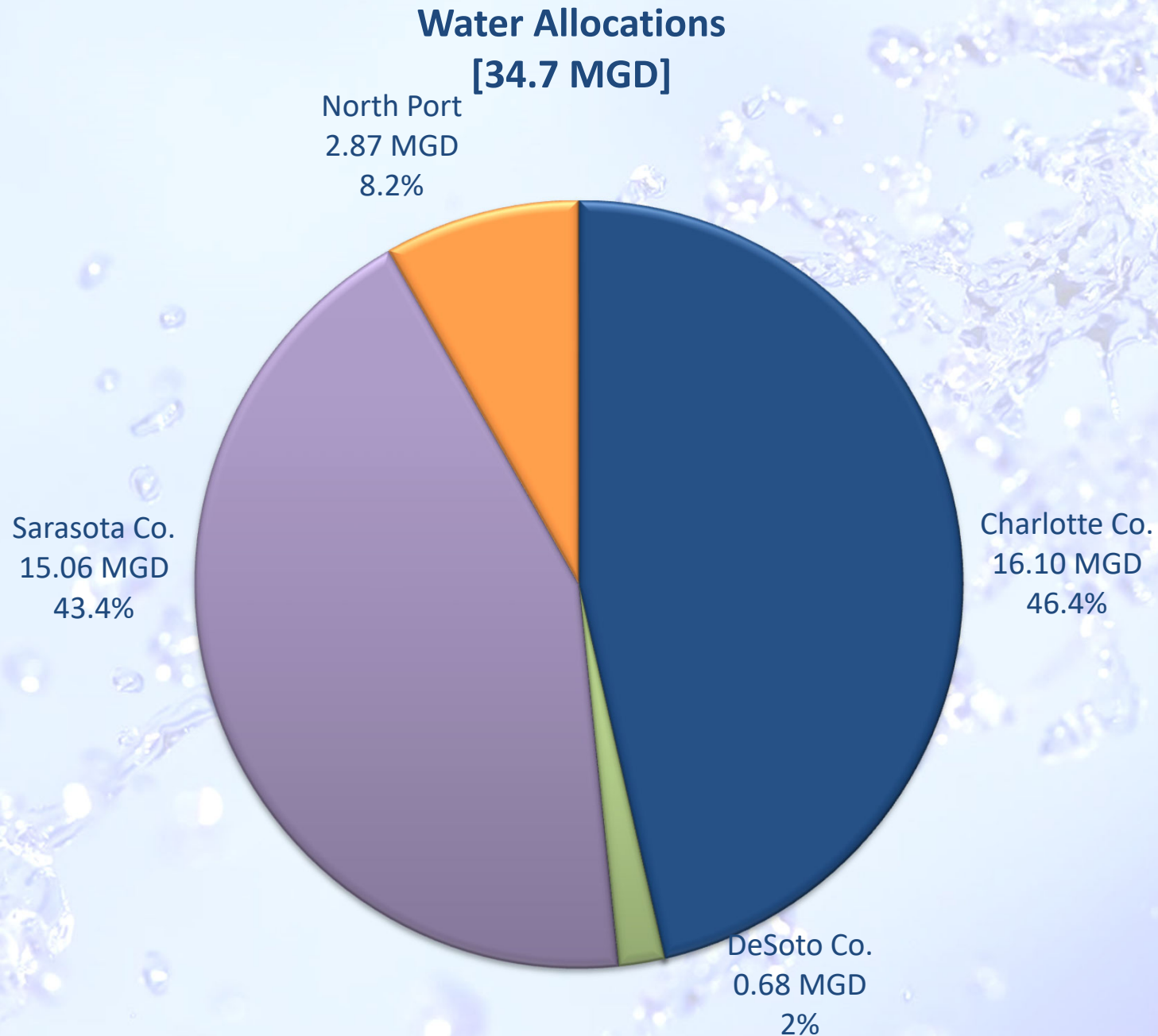
Tentative Budget for FY 2024

Tentative Budget

	FY 2023 Budget	FY 2024 Tentative Budget	Increase/ (Decrease)
Administrative Office Facilities	\$ 525,139 <u>\$ 77,802,389</u>	\$ 561,245 <u>\$ 140,961,334</u>	\$ 36,106 <u>\$ 63,158,945</u>
Total Enterprise Fund	\$ 78,327,527	\$ 141,522,579	\$ 63,195,051

Tentative Budget for FY 2024

MWSC Water Allocations



Tentative Budget for FY 2024

Water Rate Components

Water Rate is established by resolution of the Authority for the sale of water and comprised of two components:

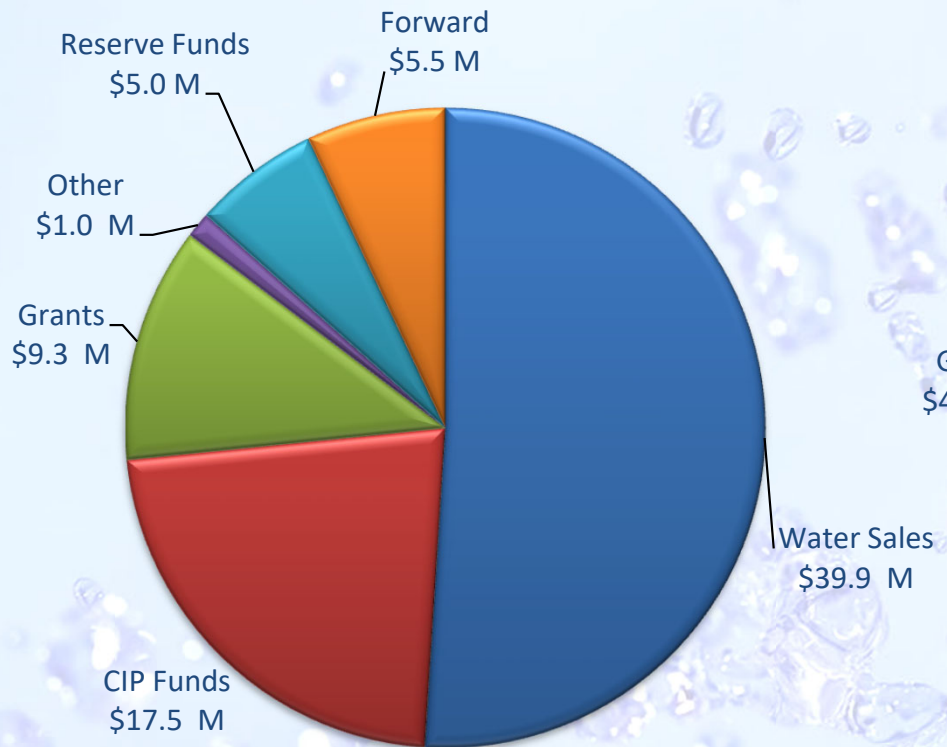
$$\text{Water Rate} = \text{Base Rate Charge [Allocation]} + \text{Water Use Charge [Actual Use]}$$

Conservation Charge for Exceedance applies for exceeding MWSC water allocation.

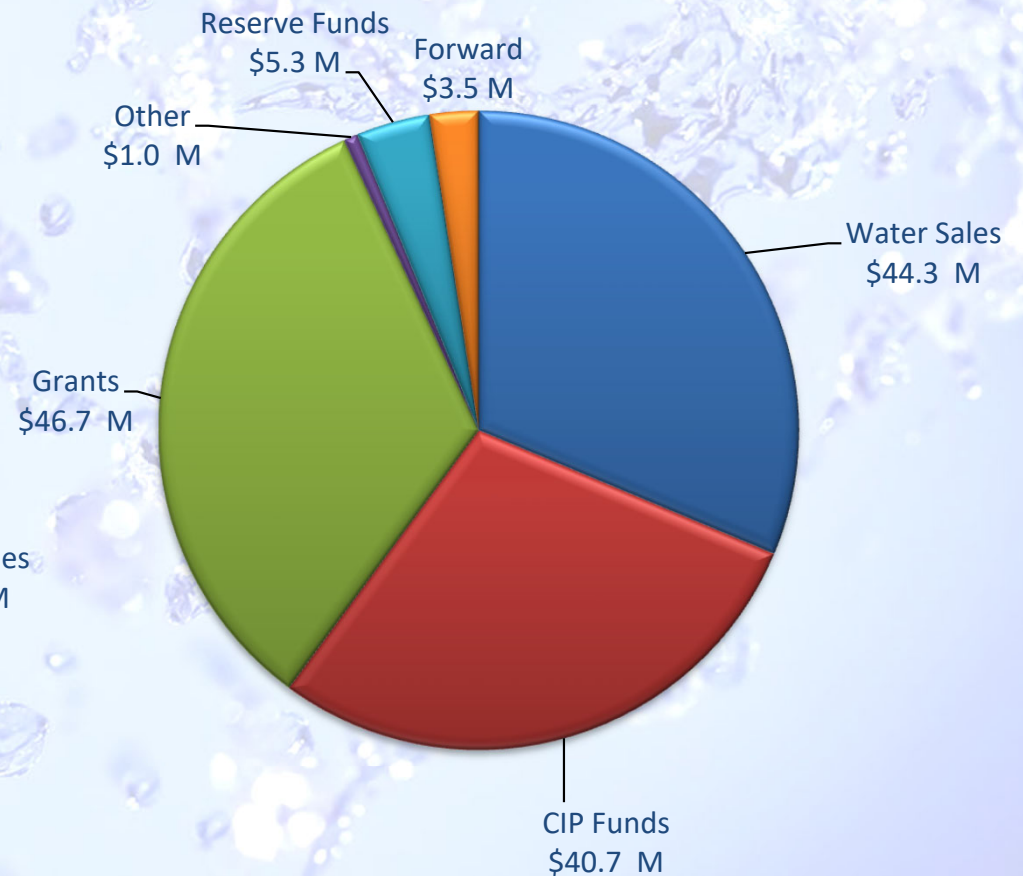
Tentative Budget for FY 2024

Sources of Revenue

FY 2023 Available Funds
\$78.3 M

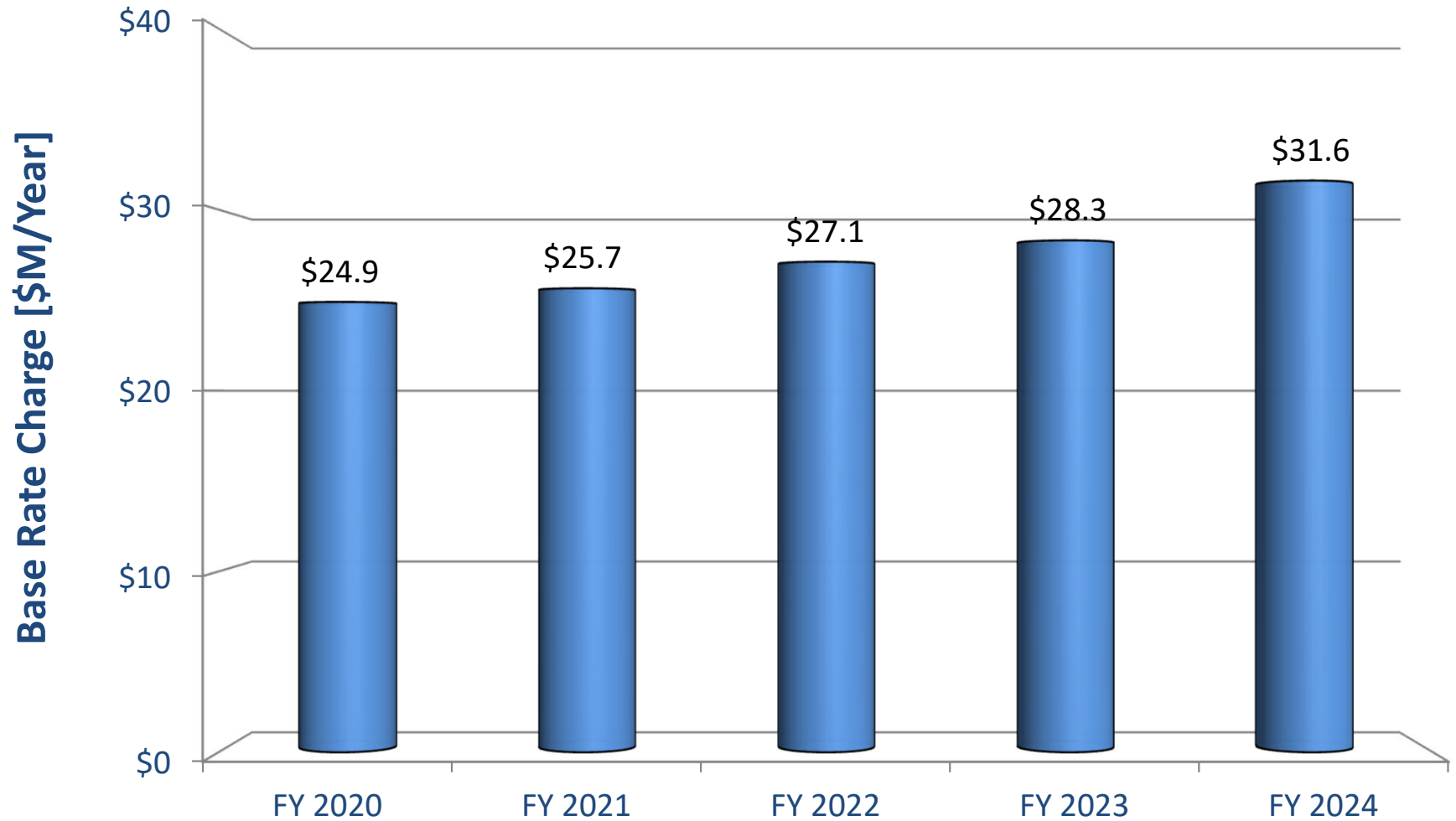


FY 2024 Available Funds
\$141.5 M



Tentative Budget for FY 2024

Historical Base Rate Charge



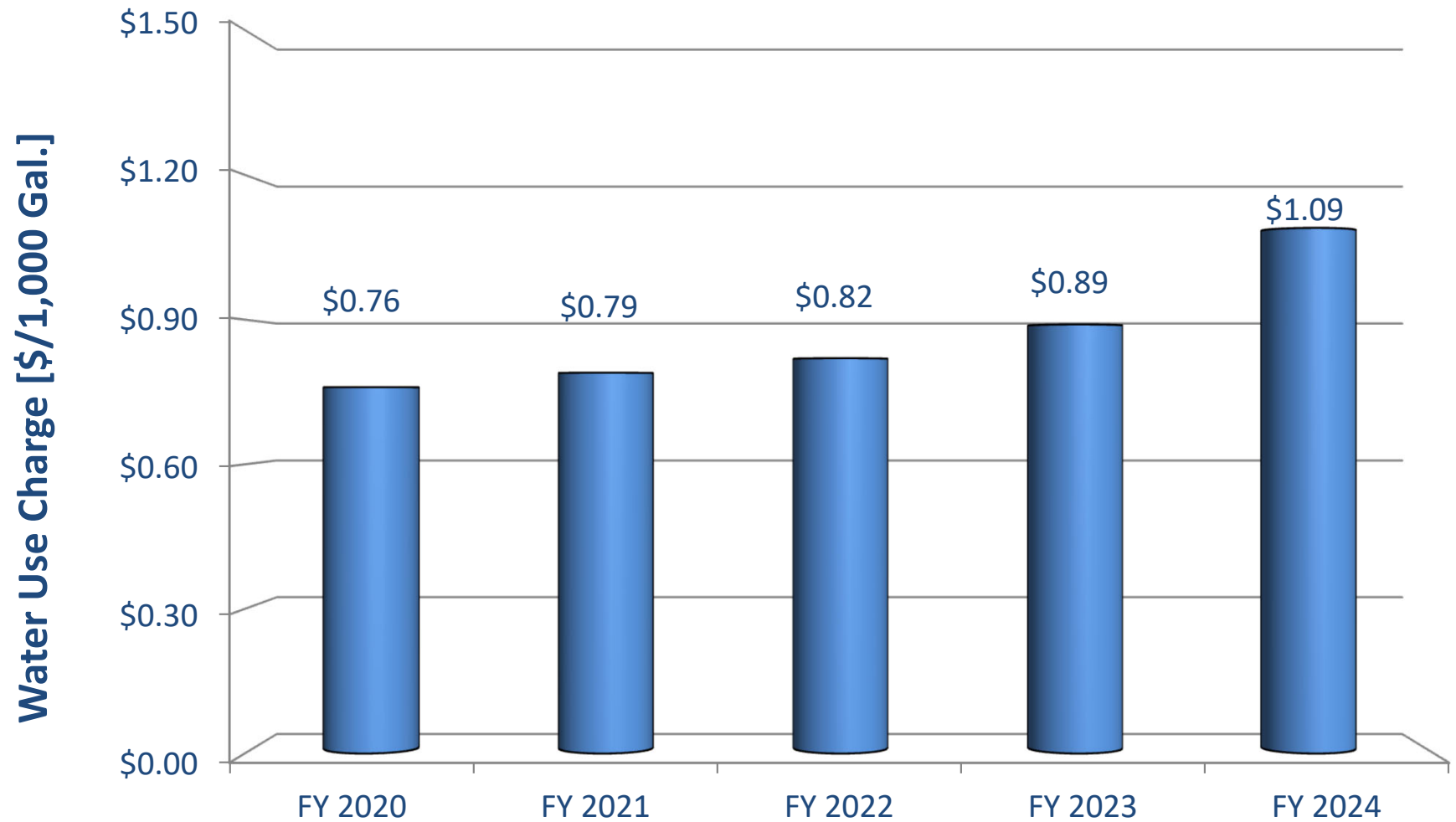
Tentative Budget for FY 2023

Water Rate

Customer Water Rate	FY 2023 Budget	FY 2024 Tentative Budget	Increase/ (Decrease)
<u>Base Rate Charge</u> (\$ for FY) <ul style="list-style-type: none">Charlotte Co.DeSoto CoManatee Co.Sarasota Co.North Port	<ul style="list-style-type: none">\$ 10,256,641\$ 637,880\$ 104,523\$ 14,834,567<u>\$ 2,492,842</u>\$ 28,326,452	<ul style="list-style-type: none">\$ 11,798,279\$ 707,572\$ 78,232\$ 16,271,576<u>\$ 2,766,759</u>\$ 31,622,417	<ul style="list-style-type: none">\$ 1,541,638\$ 69,692\$ (26,291)\$ 1,437,009<u>\$ 273,917</u>\$ 3,295,965
<u>Water Use Charge</u> (\$/1,000 Gal)	\$ 0.89	\$ 1.09	\$ 0.20

Tentative Budget for FY 2024

Historical Water Use Charge



Tentative Budget for FY 2024

Water Rate

		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Monthly Charge in Thousand \$	Water Use Charge \$ / KGAL	1.09	1.13	1.17	1.20	1.23	1.26	1.30	1.33	1.37
	Last Plan	0.95	0.98	1.01	1.04	1.07	1.10	1.13	1.17	1.20
	Charlotte - Base Rate Charge	983.2	1,243.1	1,799.4	2,152.7	2,324.7	2,427.7	2,455.9	2,488.9	2,531.8
	Last Plan	1,096.9	1,250.4	1,582.1	1,870.9	2,035.2	2,100.1	2,126.9	2,159.1	2,200.6
	DeSoto - Base Rate Charge	59.0	66.3	80.3	93.1	100.6	88.0	89.2	90.6	92.5
	Last Plan	61.7	61.2	71.9	83.3	90.1	75.8	77.0	78.4	80.2
	Sarasota - Base Rate Charge	1,356.0	1,600.9	2,073.5	2,291.0	2,426.8	2,504.1	2,530.4	2,573.5	2,645.1
	Last Plan	1,565.4	1,750.4	2,005.5	2,284.2	2,460.3	2,512.4	2,537.7	2,578.7	2,648.6
	North Port - Base Rate Charge	230.6	258.6	259.4	268.8	275.1	311.3	316.7	322.8	330.1
	Last Plan	241.9	257.0	302.5	350.5	379.2	417.5	422.1	427.7	434.9
	Manatee - Base Rate Charge	6.5	5.6	13.7	27.9	43.0	52.8	54.1	67.1	100.3
	Last Plan	18.4	22.6	30.6	45.4	66.3	70.4	71.8	84.5	117.5
	Rate Covenant Test	1.73	1.90	1.52	1.50	1.50	1.50	1.50	1.50	1.50
	Last Plan	1.73	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50

FY 2024	FY 2025	FY 2026
1.09	1.13	1.17

Tentative Budget for FY 2024

Member Fee

Member Fee	FY 2023 Budget	FY 2024 Tentative Budget	Increase/ (Decrease)
<u>Member Fee</u> (\$ for FY)			
• Charlotte Co.	\$ 92,393	\$ 99,547	\$ 7,154
• DeSoto Co.	\$ 60,451	\$ 64,926	\$ 4,475
• Manatee Co.	\$ 136,773	\$ 146,949	\$ 10,176
• Sarasota Co.	<u>\$ 142,868</u>	<u>\$ 153,397</u>	<u>\$ 10,529</u>
	\$ 432,486	\$ 464,819	\$ 32,334

Base Contribution = ½ amount divided by 4

Pro-Rata Share = ½ amount based on pro rata share of total 4-county population

Tentative Budget for FY 2024

Management & Planning Assessment

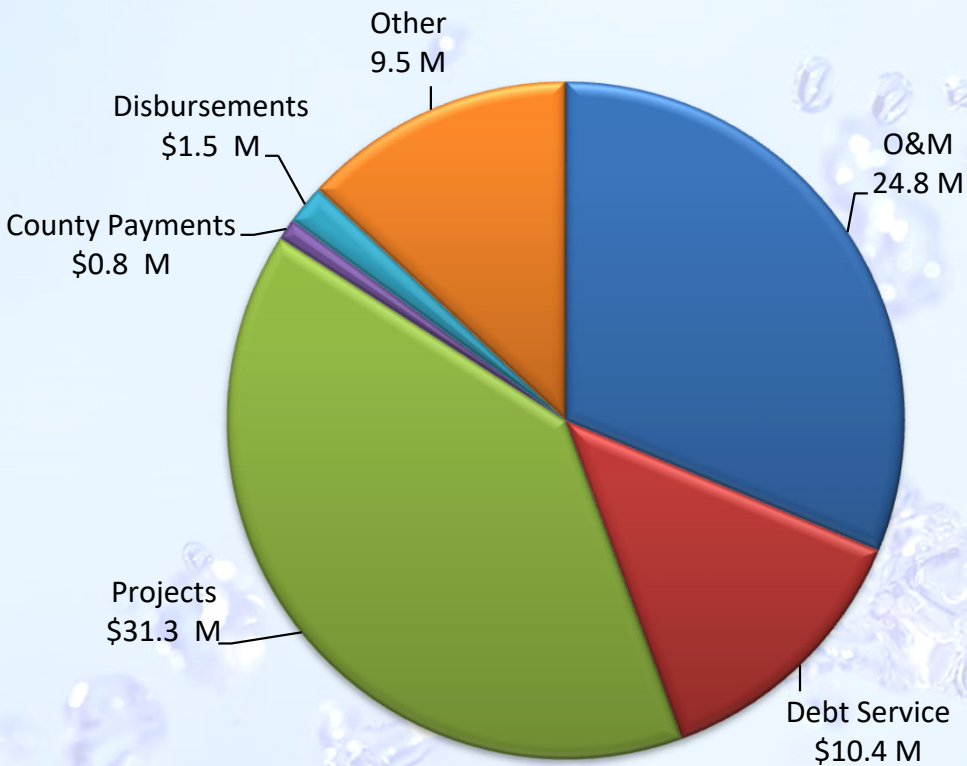
Member/Customer Planning Assessment	FY 2023 Budget	FY 2024 Tentative Budget	Increase/ (Decrease)
<u>Assessment</u> (\$ for FY)			
• Charlotte Co.	\$ 84,201	\$ 84,704	\$ 503
• DeSoto Co.	\$ 14,038	\$ 13,945	(\$ 93)
• Manatee Co.	\$ 181,687	\$ 181,586	(\$ 101)
• Sarasota Co.	\$ 160,554	\$ 159,537	(\$1,017)
• North Port	<u>\$ 34,520</u>	<u>\$ 35,228</u>	<u>\$ 708</u>
	\$ 475,000	\$ 475,000	\$ 0

Assessments based on each customers pro rata share of total 4-county population

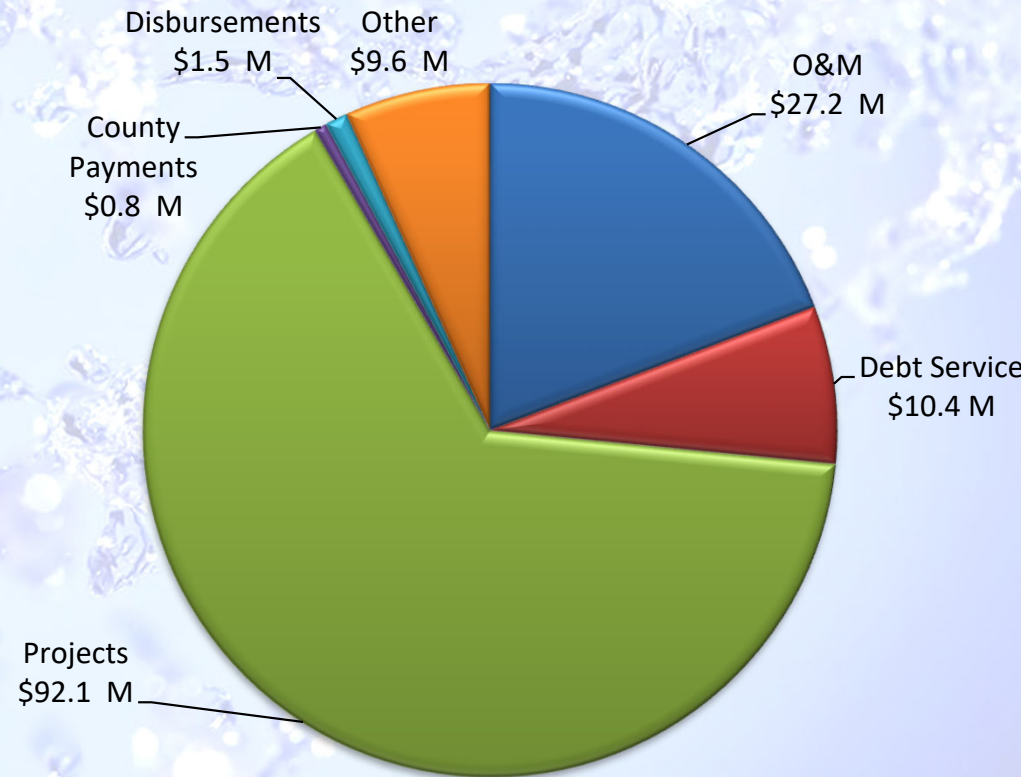
Tentative Budget for FY 2024

Major Expenditures

2023 Budgeted Expenditures
\$78.3 M



2024 Budgeted Expenditures
\$141.5 M



Tentative Budget for FY 2024

Budget Highlights

- Operation & Maintenance
 - Power and Chemical costs increased significantly
 - Personnel compensation increase budgeted at 7%
 - 4% COLA
 - 3% Merit
 - One new personnel position to achieve Strategic Plan goals and objectives
 - Project Engineer
 - Repairs and Maintenance increased with inflation
 - No increase to Contract Services or Machinery & Equipment

Tentative Budget for FY 2023

Budget Highlights

- Other Rate Related Expenditures
 - Contribution to R&R Reserve increased
 - Transfer to CIP for PR3 Project
 - Transfer to System-Wide Benefit CIP
 - Transfer to Utility Reserve Fund

Tentative Budget for FY 2024

Budget Highlights

- CIP Projects Expense

Project	FY 2024 Expenditures	CIP Funds	SWFWMD Grants	State Grants
PR3 Final Design & CMAR	\$27,179,133	\$5,121,266	\$15,057,867	\$7,000,000
Phase 2B Regional Interconnect	\$22,900,000	\$9,003,906	\$13,896,094	\$0
Phase 3C Regional Interconnect	\$25,919,716	\$15,175,397	\$10,744,319	\$0
Brackish GW Facility - 30% Design	\$9,125,000	\$9,125,000	\$0	\$0
Kings Hwy Pipeline Replacement	\$250,000	\$250,000	\$0	\$0
Total	\$85,373,849	\$38,675,569	\$39,698,280	\$7,000,000
Source		LOC	SWFWMD	State

- System-Wide Benefit Projects Expense

Project	FY 2024 Expenditures	CIP Funds	SWFWMD Grants	State Grants
Partially Treated Water ASR	\$500,000	\$0	\$0	\$500,000
Water Resources/ Construction Bldg	\$1,500,000	\$1,500,000	\$0	\$0
Total	\$2,000,000	\$1,500,000	\$0	\$500,000
Source		LOC	SWFWMD	State

Tentative Budget for FY 2024

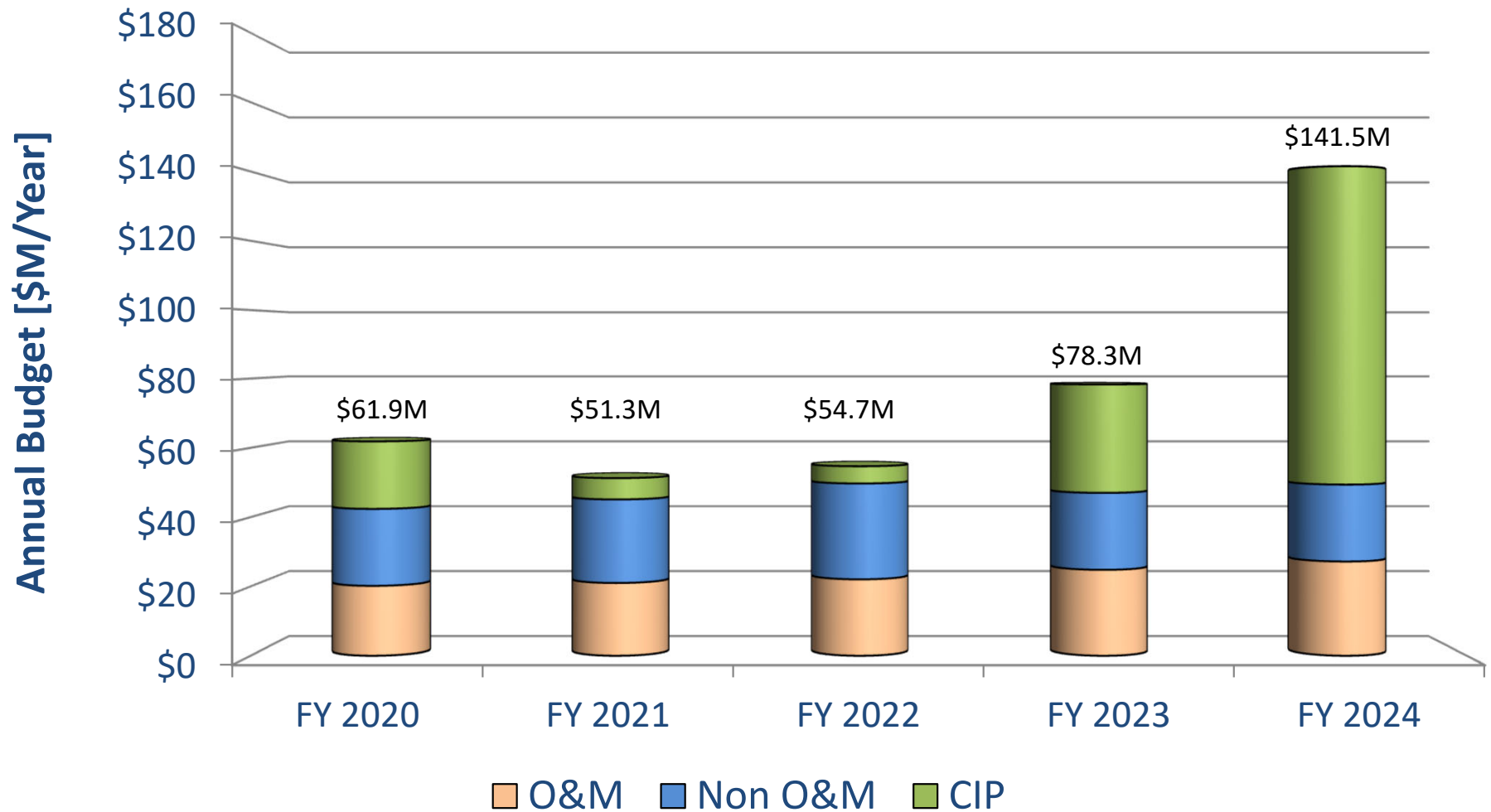
Budget Highlights

- Non-Rate Related Expenditures: Fund Disbursements

Customer Fund Disbursements	Debt Coverage from FY 2023
<u>Disbursement/Credit</u> (\$ for FY)	
• Charlotte Co.	\$ 336,727
• DeSoto Co	\$ 35,681
• Manatee Co.	\$ 0
• Sarasota Co.	\$ 999,771
• North Port	<u>\$ 147,298</u>
	\$ 1,519,477

Tentative Budget for FY 2024

Historical Budgets



An aerial photograph of a large, kidney-shaped reservoir with a dark blue surface. A wide, light-colored concrete dam runs along the perimeter of the reservoir. The surrounding landscape is a mix of green fields, dense forests, and smaller bodies of water. In the distance, a city skyline is visible under a clear sky.

Questions & Discussion

www.regionalwater.org

Tentative Budget for FY 2024

Staff Recommendation

Motion to approve Tentative Budget for FY 2024
in the amount of \$141,522,579.