



Legislation Text

File #: RES 2020-029, **Version:** 1

AGENDA ITEM REPORT

TITLE:

A RESOLUTION WAIVING THE AUTOMATIC ANNUAL INCREASE FOR WATER AND WASTEWATER CHARGES FOR FISCAL YEAR 2020 EFFECTIVE ON APRIL 1, 2020.

BACKGROUND:

The current water and wastewater rate structure provides for an automatic annual adjustment on April 1st of each year of the greater of 2.5% or inflation based on the Consumer Price Index (CPI) published by the U.S. Bureau of Labor Statistics for the Miami-Fort Lauderdale Metropolitan Area. This resolution will waive the automatic annual rate adjustment for Fiscal Year 2020.

DISCUSSION:

The rate structure was designed to ensure current and future rates are sufficient to cover operating and capital costs. After review, the Water and Wastewater Fund remains financially stable and is able to meet current and long term obligations, mainly due to previous rate adjustments, coupled with savings in operating and capital costs. As such, the Finance and Administrative Services Department is recommending that the City Commission waive the annual rate increase for Fiscal Year 2020. Ongoing monitoring of the Fund will ensure future financial stability.

RECOMMENDATION:

Staff recommends approval of this resolution.

FISCAL IMPACT:

REVENUES: (\$295,000)

EXPENDITURES: N/A

BUDGETED: No

NOTES: Water and Wastewater Fund - Water Sales Account 41 V34331 (\$175,000) and Sewer Sales Account 41-V34351 (\$120,000).