

Water Department Proposed Budget and Rates for Fiscal Year 2022-2023

June 9, 2022



Long Beach Water
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FY 23 Budget Workshop Schedule

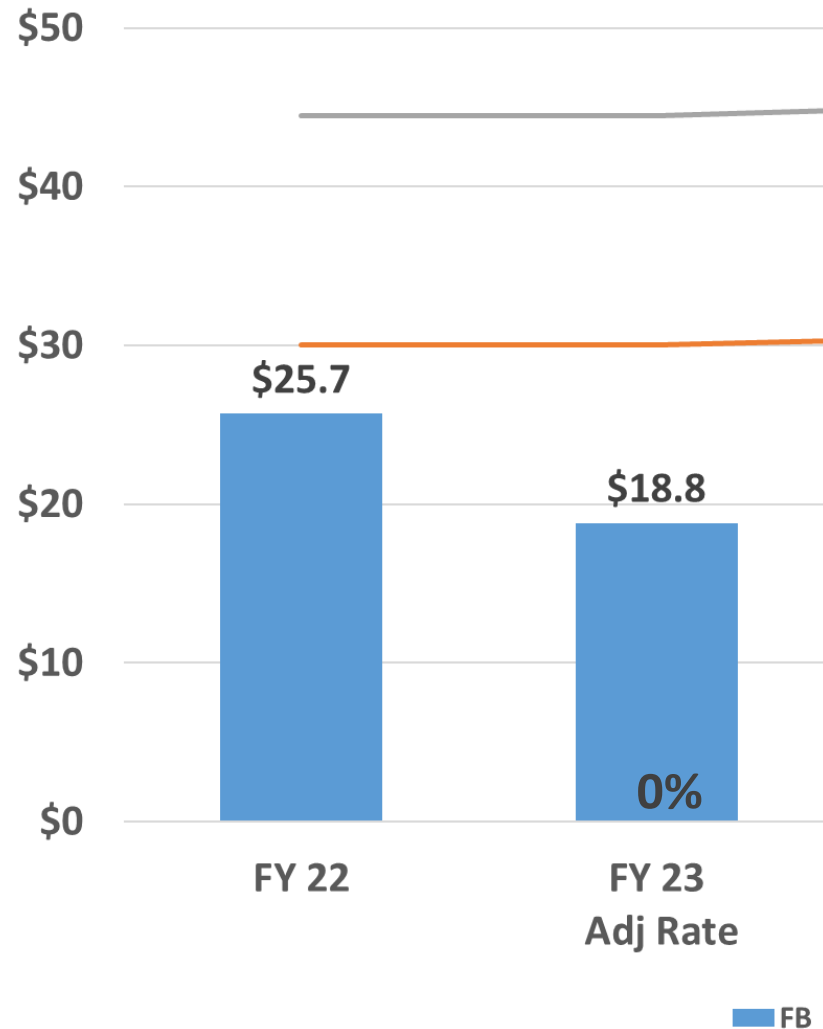
- May 12** Review Water and Sewer Fund Proposed FY 23 Budgets
- May 26** Review FY 23, CIP, rates, reserves, and five-year financial projections
- Today** Continue Review of FY 23, rates, reserves, and five-year financial projections
- June 23** Board adoption of FY 23 budget and rates

FY 23 Water Fund



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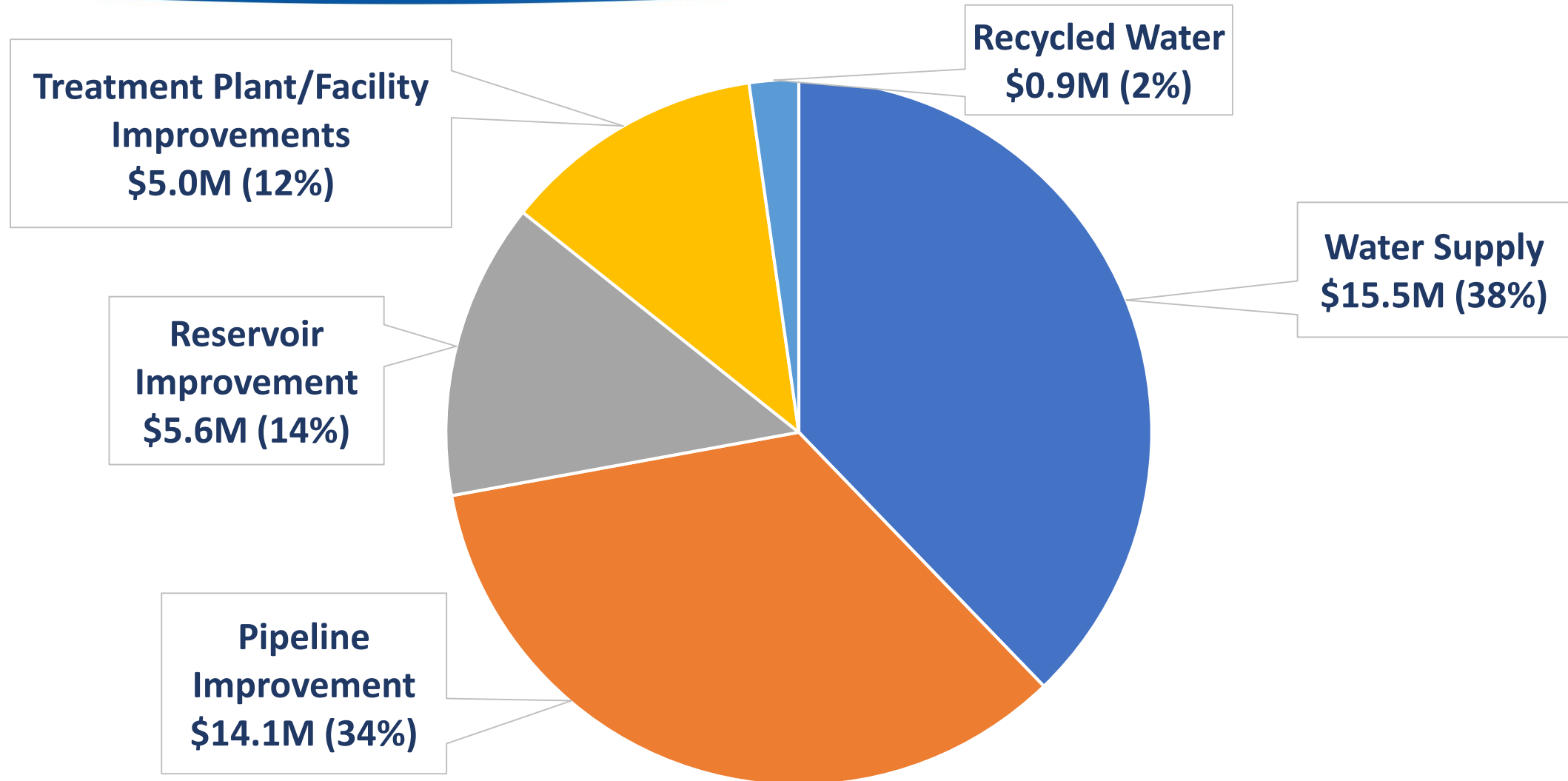
Water Fund Projected Ending Reserves (No FY 23 Water rate increase)



Budgeted Deficit

- \$6,866,000
- Cost increases
- Importance of Reserves
- Continued Investment in CIP

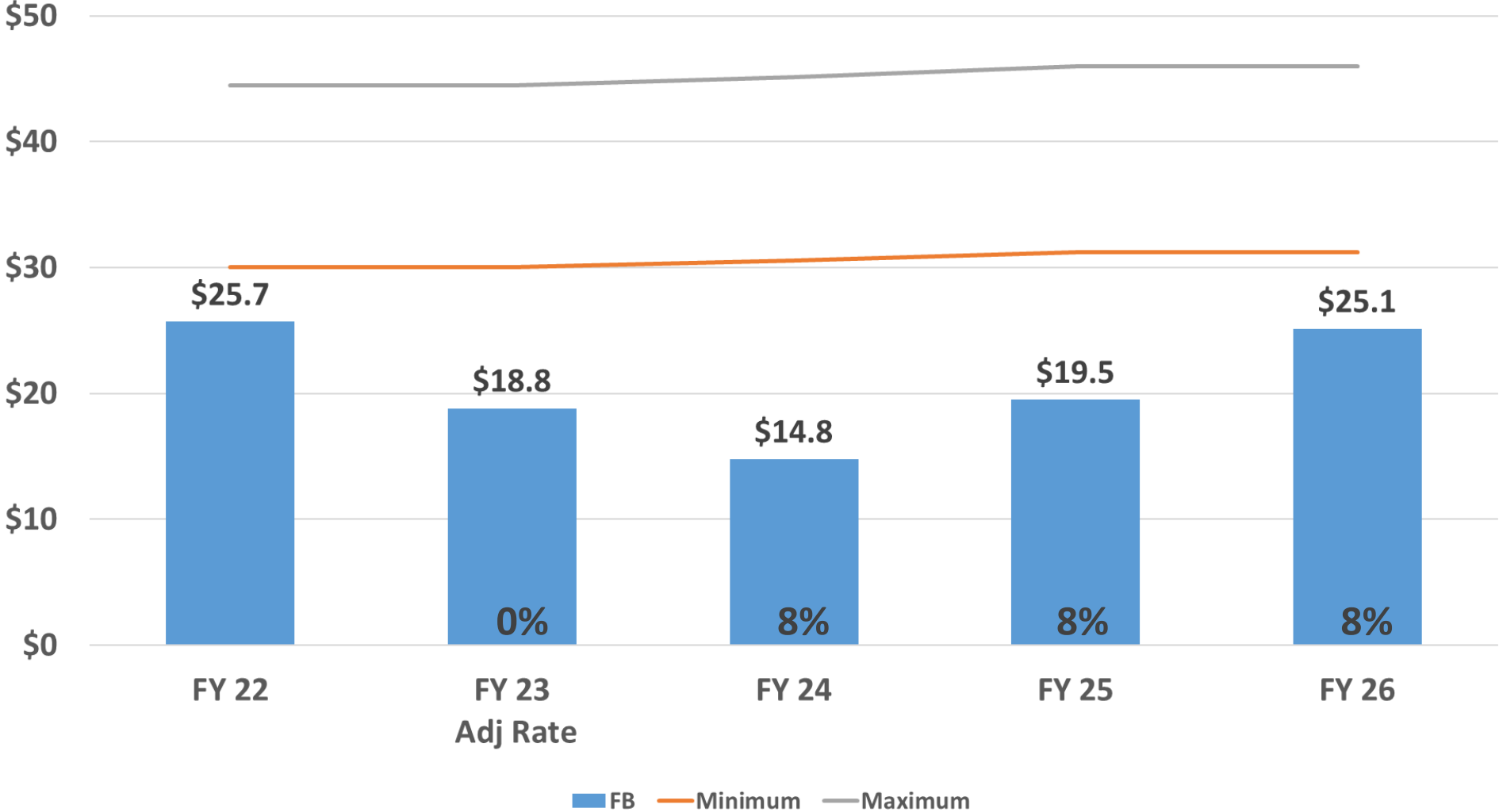
FY 23 Funding Breakdown – Water \$41.1M



Purpose of Reserves

- Protect against demand volatility
- Mitigate water supply costs
 - 5% MWD increase in FY 23 and FY 24
 - 4% WRD increase in FY 23
- Buffer for (emergency) capital expense costs
- Rate stabilization

5-Yr Water Fund Projected Ending Reserves (No FY 23 Water rate increase)

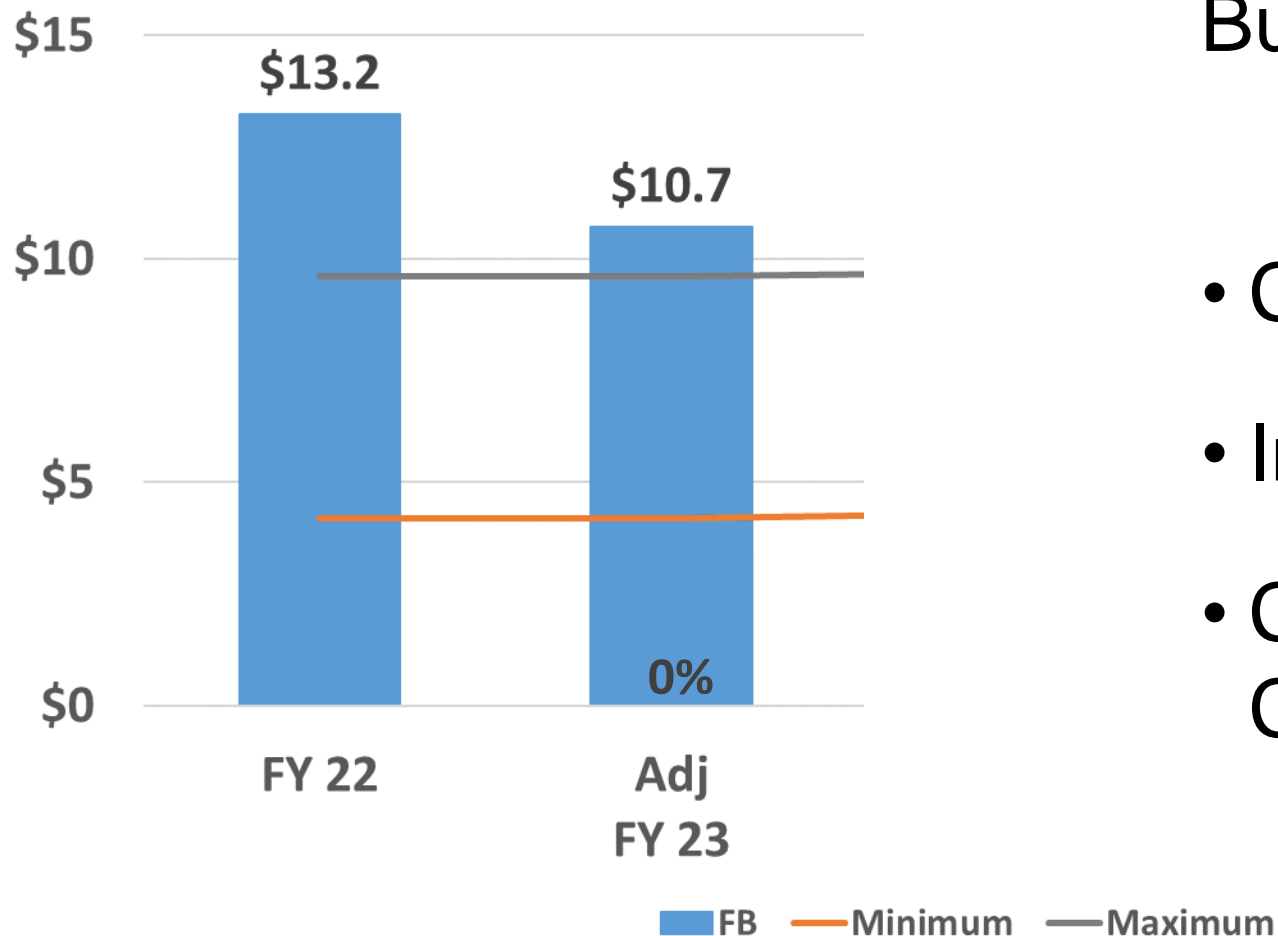


FY 23 Sewer Fund



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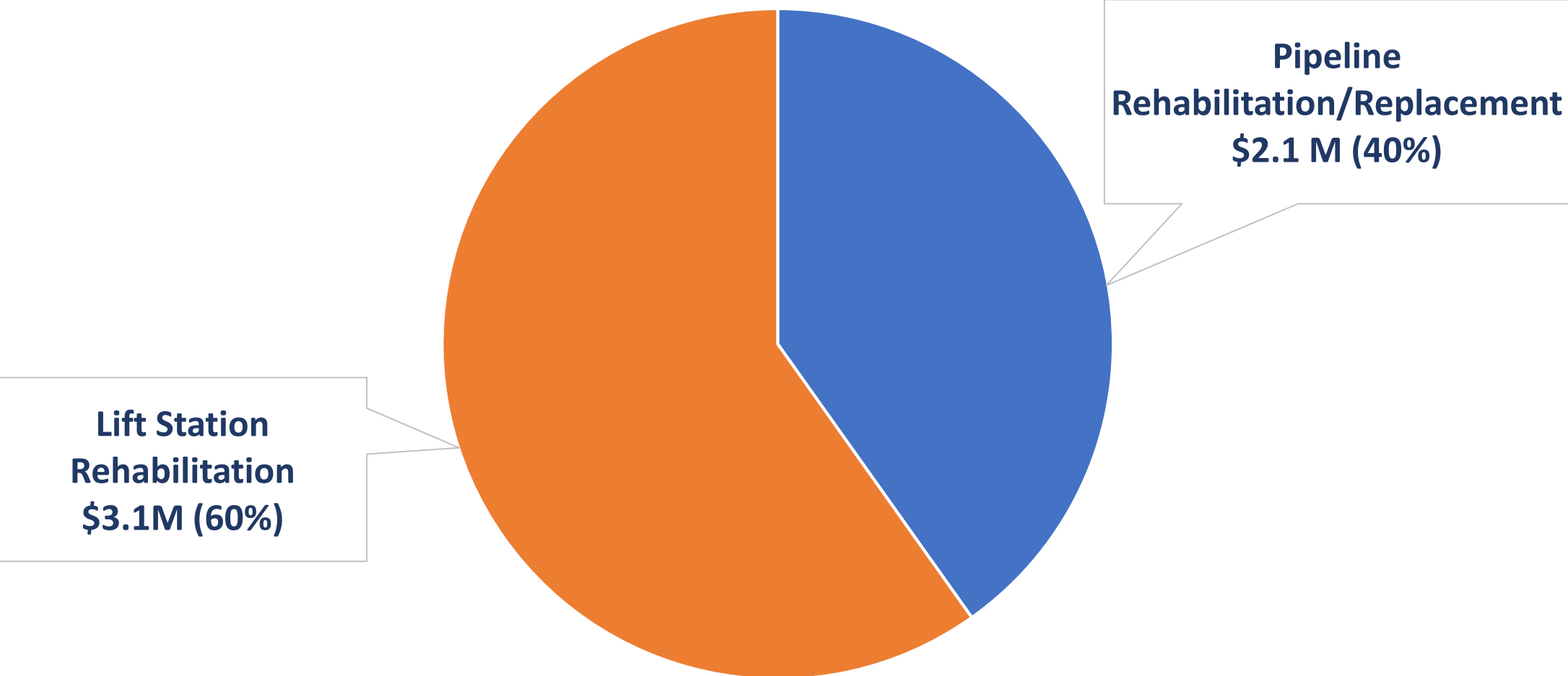
5-Yr Sewer Fund Projected Ending Reserves (No FY 23 Sewer rate increase)



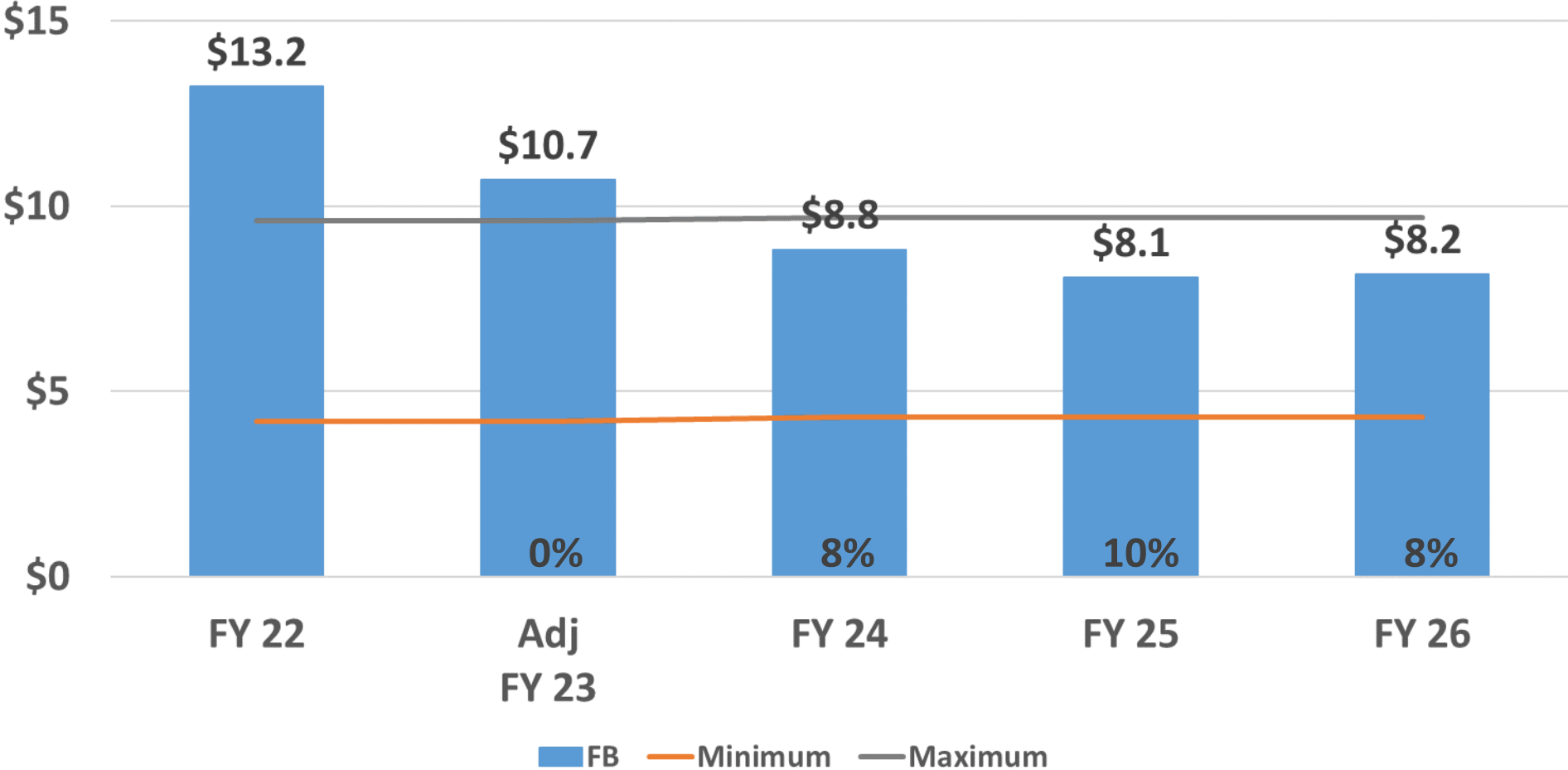
Budgeted Deficit

- **\$2,520,000**
- Cost increases
- Importance of Reserves
- Continued Investment in CIP

FY 23 Funding Breakdown – Sewer \$5.2 M



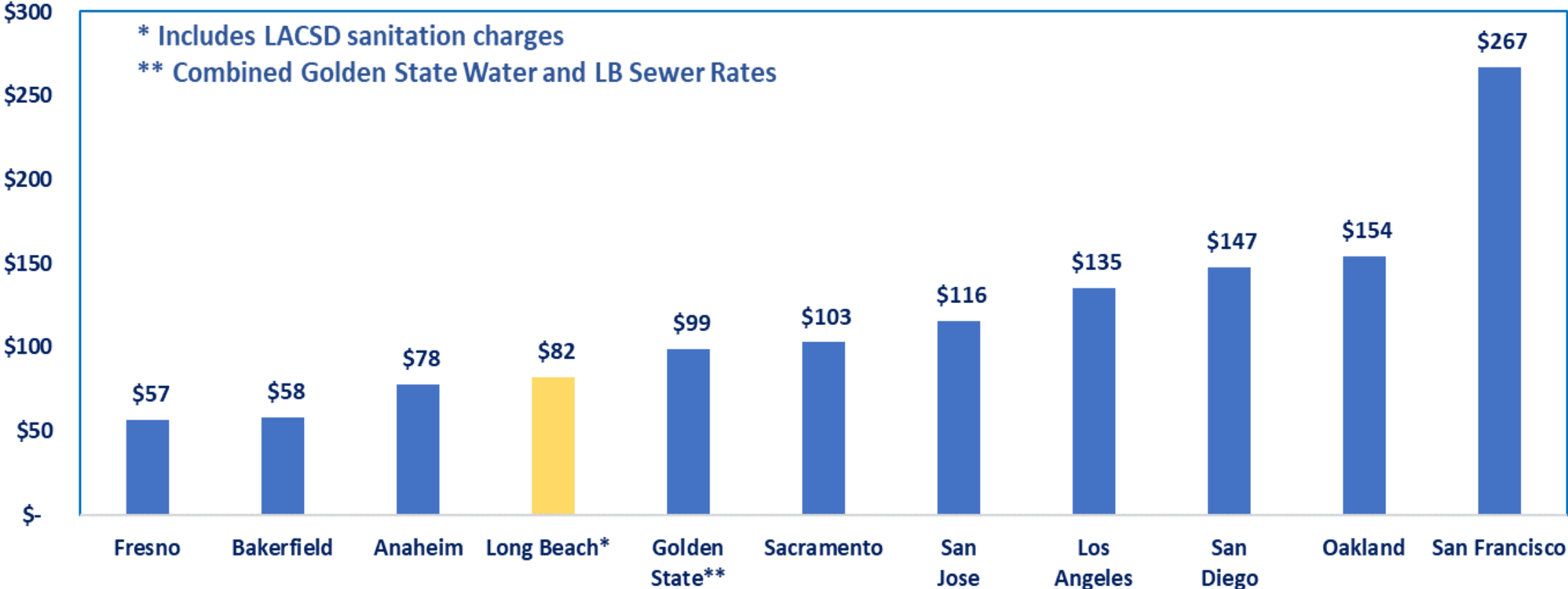
5-Yr Sewer Fund Projected Ending Reserves (No FY 23 Sewer rate increase)



Rate Comparisons



CA City Benchmarking



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