

FACT SHEET**CITY OF SHREVEPORT, LOUISIANA****TITLE**

An Ordinance Adopting the 2025 Budget for the Water and Sewer Enterprise Fund, Appropriating the Funds Authorized Therein, and Otherwise Providing With Respect Thereto

DATE

10/7/2024

ORIGINATING DEPARTMENT

CAO

COUNCIL DISTRICT

N/A

SPONSOR

No Sponsor

PURPOSE

To adopt the 2025 Water and Sewer Fund budget.

BACKGROUND INFORMATION

The proposed 2025 budget for the Water and Sewer Fund is \$170,189,500, about 3% higher than the original 2024 budget. The budget includes a \$20 million transfer to the General Fund for the Rate Stabilization Account. Revenues and expenses (excluding the Rate Stabilization transfer) are balanced at approximately \$111 million, with about half of that amount going toward debt service. A number of significant needs could not be funded within that amount. Specifically, an expansion of the funding for on-demand repair contracts for large jobs and the purchase of equipment for in-house crews to handle the smaller ones had to be left out. One way to restore those cuts would be via a 5% rate increase, effective in January 2025. It is important to our bond holders and rating agencies that we maintain equilibrium between current-year revenues and expenses, which we have done with this budget.

TIMETABLE

Introduction: 10/08/2024

Final Passage: 12/10/2024

ATTACHMENTS**SPECIAL PROCEDURAL REQUIREMENTS**

Must be adopted by December 15, 2024.

A public hearing must be held prior to passage. That will likely occur at the November 8 Council meeting. The Council is scheduled to review this budget on November 13, 2024.

FINANCES

\$ \$170,189,500

SOURCE OF FUNDS

User fees, prior year revenues

ALTERNATIVES

(1) Adopt the ordinance as submitted, or (2) amend the ordinance, or (3) reject the ordinance.

RECOMMENDATION

It is recommended the City Council adopt the ordinance.

FACT SHEET PREPARED BY:

Tom Dark