

Council Meeting Staff Report

July 17, 2019

Agenda No.:	6.C
Indexes (Council Goals):	BCC - N/A
Presenters:	Bob Westervelt
Legislative File:	12102-19

Title

Transfer of FY19 Budget Authority Between Funds

Recommended Action

I move that the Board of Public Utilities approve transfer of fiscal year 2019 Budget Spending Authority between Utilities Sub-funds as follows:

Gas Labor increase by \$150,000.00

Gas Non-Labor increase by \$225,000.00

Water Production Labor increase by \$40,000.00

Waste Water Labor reduce by \$190,000.00

Water Production Non-Labor reduce by \$225,000.00

Staff Recommendation

Staff recommends approval of the motion as presented

Body

Budget authority for Utilities is authorized at the Joint Utilities Fund level through the County Budget as approved by Council and DFA. Total budget authority for the Department is adequate. This action simply reallocates existing budget authority to cover known actual expenditures in the individual sub funds. Since there is no proposed change to the total spending authority authorized through the County budget process and submitted to DFA, further approval by Council is not required.

In the Labor category the re-allocation between sub funds in the Gas - Water - Sewer (GWS) Organization makes the most sense. This is because in Tyler Munis, each staff member is assigned to a "Home Org", and any benefits, nonproductive time, or time otherwise not allocated to a specific job hits that "Home Org". All of GWS staff is "Homed" in Gas, and significant labor charges that possibly should have been allocated to specific jobs in Gas, Sewer, or Water Distribution were not so allocated, and thus hit the Gas Sub Fund. This situation will be avoided in the future as we become more diligent in capturing labor activities in this new system.

The non-labor portion of the adjustment is to cover the cost of purchased gas which, as a direct pass through will actually be covered through increased revenues, but those revenues will not be realized until the next month (July).

Alternatives

This budget revision simply moves budget authority to where actual spending has already occurred to close out the fiscal year. Should the Board fail to approve this budget adjustment the Gas and Water Production sub funds will have expenditures exceeding their authority, which will require budget overrides to process invoices and which would most likely result in an audit finding.

Fiscal and Staff Impact

The net fiscal impact on the Joint Utilities Fund is zero.

Attachments

A - Gas fund Budget to Actuals Detail

B - All funds Budget to Actual Summary