

SUBJECT

BOARD RESOLUTION NO. 16-246

Pertaining to a 2016 Budget Amendment No. 1 to record the increase spending and financing for the raw water conduit condition assessment and the McCarron's Treatment Plant foundation condition assessment.

BACKGROUND INFORMATION

There were two condition assessments that were approved in the 2015 budget; a raw water condition assessment for \$500,000 and a condition assessment of the McCarron's treatment plant foundation for \$200,000. Current estimates for these projects total \$500,000. The agreements for these two assessments have or will be brought to the Board for final approval.

These contracts were not fully executed by the end of 2015 and consequently the funds were not encumbered or expended and consequently need to be moved forward to the 2016 fiscal year. The budget must be increased a total of \$500,000 to fund the expenditure. The financing will come from fund balance.

The budget amendment provides for an increase in financing and spending for the two assessment projects. The 2016 Budget accounting codes to be revised are included in the attachment.

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|-------------------|-------------------------------|
| \$71,281,528 | Initially Adopted 2016 Budget |
| <u>\$ 500,000</u> | 2016 Budget Amendment No. 1 |
| \$71,781,528 | Amended 2016 Budget |

RECOMMENDATION

Approval is recommended.

**AMENDMENT NO. 1
WATER UTILITY FUND
CHANGES TO 2016 ADOPTED BUDGET**

Financing

| <u>Company/Accounting Unit/Account</u> | <u>2016 Adopted Budget</u> | <u>Proposed Change</u> | <u>Revised Budget</u> | <u>Comments</u> |
|--|------------------------------------|----------------------------|---------------------------|---------------------------------------|
| 8-69082640-59910 | \$45,590 | \$500,000 | \$545,590 | To Record the Use of Cash Reserves |
| Total Spending | <u>\$45,590</u> | <u>\$500,000</u> | <u>\$545,590</u> | |

Spending

| <u>Company/Accounting Unit/Account</u> | <u>2016 Adopted Budget</u> | <u>Proposed Change</u> | <u>Revised Budget</u> | <u>Comments</u> |
|--|------------------------------------|----------------------------|---------------------------|--|
| 8-69082310-63130 | \$83,000 | \$500,000 | \$583,000 | Raw Water Conduit Condition Assessment and McCarron's Foundation Assessment |
| Total Spending | <u>\$83,000</u> | <u>\$500,000</u> | <u>\$583,000</u> | |