

A RESOLUTION AMENDING THE FISCAL YEAR 2019 SCHERTZ SEGUIN LOCAL GOVERNMENT CORPORATION BUDGET.

NOW, THEREFORE, BE IT RESOLVED THAT THE FISCAL YEAR 2019 SCHERTZ SEGUIN LOCAL GOVERNMENT CORPORATION BUDGET IS AMENDED AS FOLLOWS:

Schertz-Seguin Local Government Corporation Operating Fund

Amount	Increase:	Increase:
\$3,000,000	SSLGC-Operating Intragovernmental Transfers Transfers to Repair & Replacement Fund 058-9000-826100	SSLGC-Operating Non-Departmental Use of Retained Earnings 058-9800-960000

Reason requested: The Corporation has a Retained Earnings policy. This policy set a threshold for the minimum retained earnings to be held in the operating fund. This minimum policy was set at three months operating expenditures. Based upon this policy and the results of the audit, there is \$3,500,000 above this threshold available for use.

Amount	Increase:	Increase:
\$ 500,000	SSLGC-Operating Intragovernmental Transfers Transfers to Rate Stabilization Fund 058-9000-825700	SSLGC-Operating Non-Departmental Use of Retained Earnings 058-9800-960000

Reason requested: To transfer the remaining required funds to the Rate Stabilization Fund as approved by the Board in 2017 in the Rate Stabilization Policy.

Repair and Replacement Fund

Amount	Increase:	Increase:
\$ 171,500	Repair and Replacement Fund Capital Outlay Instrumentation & Automation 061-9000-703000	Repair and Replacement Fund Intragovernmental Transfers Transfers from Operating Fund 061-391058
\$ 611,450	Repair and Replacement Fund Capital Outlay Pipeline Maintenance 061-9000-703000	Repair and Replacement Fund Intragovernmental Transfers Transfers from Operating Fund 061-391058
\$ 422,650	Repair and Replacement Fund Capital Outlay Plant & Pump Station Maintenance 061-9000-703000	Repair and Replacement Fund Intragovernmental Transfers Transfers from Operating Fund 061-391058

\$ 1,794,400	Repair and Replacement Fund Intragovernmental Transfers Transfers from Operating Fund 061-391058	Repair and Replacement Fund Retained Earnings 061-297020
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Reason requested: The Corporation has a Retained Earnings policy. This policy set a threshold for the minimum retained earnings to be held in the operating fund. This minimum policy was set at three months operating expenditures. Based upon this policy and the results of the audit, there is \$3,500,000 above this threshold available for use. \$1,197,850 of this amount will be used to provide for repairs, maintenance and upgrade of existing facilities per the needs assessment conducted by the new Operations Manager.

Rate Stabilization Fund

Amount	Increase:	Increase:
\$ 500,000	Rate Stabilization Fund Intragovernmental Transfers Transfers from Operating Fund 057-391058	Rate Stabilization Fund Retained Earnings 061-297020

Reason requested: To transfer the remaining required funds to the Rate Stabilization Fund as approved by the Board in 2017 in the Rate Stabilization Policy.

The Board of Directors of the Schertz-Seguin Local Government Corporation finds that these budget adjustments are required because changes and unforeseen conditions that could not have been anticipated in the original budget.

This resolution shall become effective and applicable on the date of its approval and passage.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE SCHERTZ-SEGUIN LOCAL GOVERNMENT CORPORATION, on this the 18th day of April, 2019.



 President
 Schertz-Seguin Local Government Corporation

ATTEST:



 Secretary

Or

Assistant Secretary