

Memorandum

Date: June 16, 2022

To: City of Seguin City Council

From: Amber Briggs Beard, SSLGC General Manager

Re: Budget Amendment

The Schertz/Seguin Local Government Corporation (SSLGC) has a Retained Earnings policy that sets a threshold for the minimum retained earnings to be held in the operating fund. By previous SSLGC Board action, the minimum is set at three months of operating expenditures.

The budget amendment transfers \$380,000 from Retained Earnings to the SSLGC Operating Fund; \$330,000 of this will be used to for Chemicals and \$50,000 of this will be used for installation of GVEC fiber internet at the Gonzales Water Treatment Plant and the Hal Baldwin Pump Station to strengthen SCADA communications and improve internet connectivity.

The budget amendment transfers \$300,000 from Retained Earnings to the Rate Stabilization Fund to aid in reducing future rate increases for our customers; In addition, these funds will be available for use to reimburse the Guadalupe Water Treatment Plant's short-term expenditures when it comes online in 2023.

The budget amendment transfers \$596,669 from Retained Earnings to the SSLGC Repair and Replacement Fund; \$500,000 of this amount will be used for repair and replacement project expenditures and \$96,669 will be used to pay for cattle guards and fencing at the Guadalupe Water Treatment Plant site.

The SSLGC Board unanimously approved this action at their regularly scheduled board meeting on June 16, 2022.

SSLGC Staff requests approval.



Amber Briggs Beard
SSLGC General Manager

cc: File