

6

-Memorandum-

***Schertz-Seguin Local Government Corporation***

**General Manager**

P. O. Box 833, Seguin, Texas 78156-0591  
Phone (830) 401-2409 Fax (830) 401-2481

---

**Date:** May 14, 2015  
**To:** SSLGC Board of Directors

**From:** Alan Cockerell, General Manager   
Susan Caddell, Director of Finance, City of Seguin 

**Subject:** Budget Amendments

---

Attached you will find a budget amendment for transfers to the Repair/Replacement Fund. Currently, there is \$2,130,999 budgeted in the Operating Fund for the cathodic protection program. Due to the fact this project will not be complete by the end of the fiscal year, staff is recommending transferring this appropriation to the Repair/Replacement Fund. This fund is a capital projects fund. Once the money is appropriated in this fund, the budget carries forward from year to year until the project is complete. Staff is also recommending the transfer be made directly from the water sales, rather than go through the management services agreement.

Last year, the Board of Directors approved 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, there was \$3,192,159 above this threshold available for use. Staff is recommending using \$869,001 of these funds to bring the appropriation for the cathodic protection project to \$3,000,000. The remaining balance of \$2,323,158 will be transferred to the Repair/Replacement Fund for future projects.

Please let either of us know if you have any questions.

A RESOLUTION AMENDING THE FISCAL YEAR 2015 SCHERTZ-SEGUIN LOCAL GOVERNMENT CORPORATION BUDGET.

NOW, THEREFORE, BE IT RESOLVED THAT THE FISCAL YEAR 2015 SCHERTZ-SEGUIN LOCAL GOVERNMENT CORPORATION BUDGET IS AMENDED AS FOLLOWS:

**Schertz-Seguin Local Government Corporation Operating Fund (Seguin)**

<b>Amount</b>	<b>Decrease:</b>	<b>Decrease:</b>
\$2,130,999	SSLGC Charges for Services Management Services – SSLGC 063-9000-826100	SSLGC Capital Outlay Improvements other than Building 063-9000-703000
Reason requested:	To transfer the appropriation for the cathodic protection project to the Repair/Replacement Fund in order for the budget to carry forward until the project is complete.	

**Schertz-Seguin Local Government Corporation Operating Fund**

<b>Amount</b>	<b>Increase:</b>	<b>Decrease:</b>
\$2,130,999	SSLGC Intragovernmental Transfers Transfers to Repair/Replacement fund 058-9000-826100	SSLGC Professional Services Management Services 058-9000-321800
<b>Amount</b>	<b>Increase:</b>	<b>Increase:</b>
\$ 869,001	SSLGC Intragovernmental Transfers Transfers to Repair/Replacement Fund 058-9000-826100	SSLGC Non-Departmental Use of Retained Earnings 058-9800-960000
Reason requested:	To transfer the appropriation for the cathodic protection project and available retained earnings to the Repair/Replacement Fund in order for the budget to carry forward until the project is complete.	

<b>Amount</b>	<b>Increase:</b>	<b>Increase:</b>
\$2,323,158	SSLGC Intragovernmental Transfers Transfers to Repair/Replacement Fund 058-9000-826100	SSLGC Non-Departmental Use of Retained Earnings 058-9800-960000
Reason requested:	To transfers remaining available fund balance above the threshold set by the board to the Repair/Replacement Fund for future projects.	

**Schertz-Seguin Local Government Corporation Repair/Replacement Fund**

**Amount**

**Increase:**

**Increase:**

\$3,000,000

SSGLC Repair/Replacement Fund  
Intragovernmental Transfers  
Transfers from SSLGC Operating  
061-391063

SSLGC Repair/Replacement Fund  
Capital Outlay  
Improvements other than Building  
061-9000-703000

Reason requested:

To transfer the appropriation for the cathodic protection project and available retained earnings to the Repair/Replacement Fund in order for the budget to carry forward until the project is complete.

**Amount**

**Increase:**

**Increase:**

\$2,323,158

SSGLC Repair/Replacement Fund  
Intragovernmental Transfers  
Transfers to Repair/Replacement Fund  
061-3691063

SSLGC Repair/Replacement Fund  
Retained Earnings  
  
061-297020

Reason requested:

To transfers remaining available fund balance above the threshold set by the board to the Repair/Replacement Fund for future projects.

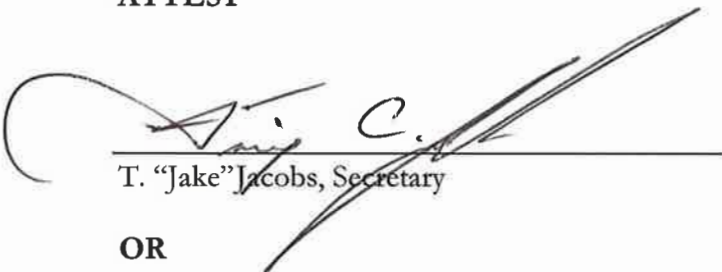
The Board of Directors of the Schertz-Seguin Local Government Corporation finds that these budget adjustments are required because changes and unforeseen conditions that could not have been anticipated in the original budget.

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 20<sup>th</sup> day of May, 2015.

  
\_\_\_\_\_  
Ken Greenwald, President

ATTEST

  
\_\_\_\_\_  
T. "Jake" Jacobs, Secretary

OR

\_\_\_\_\_  
Bob Pees, Assistant Secretary

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS, on this the 2<sup>nd</sup> day of June, 2015.

---

Don Keil, Mayor

ATTEST:

---

Thalia Stautzenberger, City Secretary