
Meeting Date: February 27, 2019
Staff Contact: Stan Allred, Chief Financial Officer

TITLE: R-19-1 - Amendment to the Approved Operating Budget of the Albuquerque Bernalillo County Water Utility Authority for the Fiscal Year Ending June 30, 2019

ACTION: Recommend Approval

SUMMARY:

This resolution provides information to support a request to the Board to approve an amendment to the FY19 Operating Budget.

FISCAL IMPACT:

This action requests Board approval of the proposed amendment to the FY19 Operating Budget for the increase in operating and maintenance costs for the San Juan-Chama project billed by the U.S. Bureau of Reclamation and recognition of interest payment for the 2018 revenue bonds.

The amendment reallocates excess fund balance, which is a 0.03 percent impact to the FY19 beginning fund balance in the operating fund.

The various increases and decreases include the following:

- Increase of \$500,000 for the increased operating and maintenance expense to the U.S. Department of the Interior per the contract agreement (UC-447/ALB-621 WTR-4.00) which provides for significant rehabilitation and repair work for the San Juan-Chama project. The Bureau manages the infrastructure that conveys the Water Authority's and other contractors' allotment of the San Juan – Chama water. Each year, for several years in the past, the Bureau increases O&M costs at variable rates with different justifications. In FY19, additional funding has been requested by the Bureau to repair critical conveyance infrastructure and replacement of heavy equipment.
- Increase of \$636,000 for the transfer of funds from Fund 21 to Fund 31 designated for payment of interest expense for the Series 2018 Revenue Bonds issued on October 16, 2018.

Staff recommends approval of the proposed FY19 Operating Budget amendment which increases the current year operating budget.

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-19-1

1 **RESOLUTION**
2 **AMENDMENT TO THE APPROVED OPERATING BUDGET OF THE ALBUQUERQUE**
3 **BERNALILLO COUNTY WATER UTILITY AUTHORITY FOR THE FISCAL YEAR**
4 **ENDING JUNE 30, 2019**

5 WHEREAS, the Operating Budget is governed by the requirements established
6 under Section 2-1-8, 2006, which provides for amendments to the approved program;
7 and

8 WHEREAS, appropriations for the Fiscal Year ending June 30, 2019 that were
9 previously approved under R-18-12 require an amendment due to a change operating
10 and maintenance costs for the San Juan-Chama project billed by the U.S. Bureau of
11 Reclamation and recognition of interest payment for the 2018 revenue bonds.

12 THEREFORE, BE IT RESOLVED BY THE WATER AUTHORITY:

13 Section 1. That funds in the amount of Five Hundred Thousand Dollars
14 (\$500,000) are hereby increased in the General Fund 21 for the increased expense to the
15 U.S. Bureau of Reclamation.

16 Section 2. That funds in the amount of Six Hundred Thirty-Six Thousand Dollars
17 (\$636,000) are hereby transferred from General Fund 21 to the Debt Service Fund 31 for
18 the increase of interest expense.

[+Bracketed Material+] - New
[-Bracketed Material-] - Deletion

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