



Pinellas County

Staff Report

File #: 22-1266A, Version: 1

Subject:

Fiscal Year 2022 Board Budget Amendment No. 3 to realign appropriation from Reserves in the Fleet Management Fund for unanticipated Fiscal Year 2022 expenditures.

Recommended Action:

Approval of the Fiscal Year (FY) 2022 Budget Amendment No. 3 pursuant to Florida Statute section 129.06(2)(b) realigning:

- \$3,500,000.00 from the Fleet Management Fund Reserves to the Fuel Management (\$1,920,000.00), Fleet Vehicle Replacement (\$1,100,000.00), and Fleet Parts Management (\$480,000.00) cost centers for unanticipated expenses related to increasing costs for fuel and parts.
- The FY22 adopted Budget assumed increases to both parts and fuel; however, it was not anticipated that inflation and shortages would be as significant as experienced to date.
- This additional appropriation will provide the resources required to pay for expenditures related to rising prices for fuel and parts through the end of the fiscal year.
- The appropriation to the Fleet Vehicle Replacement center is to replenish funding that was previously realigned for fuel and parts to prevent a disruption in Fleet services.

Strategic Plan:

Deliver First Class Services to the Public and Our Customers

5.2 Be responsible stewards of the public's resources

5.3 Ensure effective and efficient delivery of County services and support

Summary:

In the Fleet Management Fund, this budget amendment realigns \$3,500,000.00 from Reserves to the Fuel Management, Fleet Vehicle Replacement, and Fleet Parts Management cost centers in the Department of Administrative Services. This additional appropriation will provide the resources required to pay for expenditures related to rising prices for fuel and parts.

Background Information:

Due to rising costs for fuel and parts, Administrative Services - Fleet Management will incur a projected \$3,500,000.00 in unanticipated, fuel and part related expenses for FY22. The expenses for rising fuel and part costs were not budgeted for in FY22 due to inability to predict the unique nature of the current economic environment.

Fiscal Impact:

Currently, there is no additional revenue in FY22 to recuperate or offset the budget conditions as a result of rising costs for fuel and parts. This budget amendment will realign \$3,500,000.00 from Reserves to the Fuel Management, Fleet Vehicle Replacement and Fleet Parts Management cost centers in the Department of Administrative Services. This action is inconsistent with the estimates

provided during FY23 Budget development; therefore, a revision to the FY23 Request will be submitted for consideration.

Staff Member Responsible:

Shane Kunze, Budget and Financial Management Analyst, Office of Management and Budget

Partners:

N/A

Attachments:

FY22 Budget Amendment