



# Pinellas County

## Staff Report

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### **Subject:**

Fiscal Year 2022 Board Budget Amendment No. 6 to realign appropriation from General Fund Reserves for the Department of Administrative Services for unanticipated operating expenditures, Building Services Reserves for higher-than-expected contractual services, Water Revenue and Operating Reserves for higher than anticipated repair and maintenance costs, and the Pinellas County Utilities Sewer Interest and Sinking Fund for unanticipated debt service.

### **Recommended Action:**

Approval of the Fiscal Year 2022 Budget Amendment No. 6 realigning Fiscal Year 2022 appropriation from the General Fund Reserves to the Department of Administrative Services operating budgets, Building Services Reserves to Building Services operating budget, and the Sewer Interest and Sinking Fund Reserves to the Pinellas County Utilities' Sewer debt service budget.

- \$2,100,000.00 from the General Fund Reserves for expenses related to rising utility costs and heightened cleaning processes to the Real Property Leases (\$121,390.00), Mid-County Section Operations and Maintenance (\$424,850.00), Northwest Section Operations and Maintenance (\$212,430.00), Southeast Section Operations and Maintenance (\$370,230.00), and Jail Section Operations and Maintenance (\$971,100.00) cost centers.
- \$150,000.00 from Building Services Fund Reserves to Building Permits program for unanticipated expenditures for Contractual Services due to higher-than-expected plan review and inspection service requests.
- \$250,000 from the Water Revenue & Operating Fund Reserves to Maintenance North & South for higher than anticipated emergency water line repairs.
- \$9,000.00 from the Sewer Interest and Sinking Fund Reserves to the Debt Service cost center for an unanticipated Yield Reduction payment related to the July 2022 refunding of Sewer Revenue Refunding Note, Series 2021A.

### **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:**

This Board Budget Amendment increases appropriation in the Department of Administrative Services operating budgets, appropriation in Building Services operating budget, appropriation in Pinellas County Utilities' Water repair and maintenance budget, and appropriation in Pinellas County Utilities' Sewer debt service budget.

### **Background Information:**

The Department of Administrative Services (DAS) - Facilities and Real Property (FRP) Division has experienced higher than anticipated costs attributed to rising utility and vehicle maintenance costs

and heightened office cleaning processes. The increased costs were experienced across multiple divisions with FRP, including Jail Section Operations and Maintenance, Mid-County Section Operations and Maintenance, Northwest Section Operations and Maintenance, and Southeast Section Operations and Maintenance.

Building Services experienced a higher-than-expected demand for contractual services related to increased plan review and inspection service requests.

Pinellas County Utilities received a higher than anticipated amount of emergency work requests from contractors for water line repairs.

Pinellas County Utilities refunded \$40,900,000.00 of their outstanding Sewer Revenue debt to lower interest costs from 1.44% to 1.17%, resulting in a savings of \$539,591.84. Due to the recent increase in interest rates, the County determined a 'Yield Reduction' payment (Sec. 148 of Internal Revenue Code) in the amount of \$47,174.55 is due to the United States Treasury.

**Fiscal Impact:**

This Board Budget Amendment realigns \$2,100,000.00 from General Fund Reserve to the Department of Administrative Services, \$150,000 from Building Service Reserves to Building Services operating, \$250,000 from Water Revenue & Operating Reserves to Maintenance North & South, and \$9,000.00 from the Sewer Interest and Sinking Fund Reserves to Debt Service.

**Staff Member Responsible:**

Jim Abernathy, Operating Budget Manager, Office of Management and Budget

**Partners:**

N/A

**Attachments:**

FY22 Budget Amendment BA-22-06