To: Honorable Board of Supervisors

From: Ken Sra, Director of General Services

Department: General Services

Subject: Approval for a Budget Amendment to the Fiscal Year 2018-19 Adopted budget within Debt Service Fund in the amount of $711,797 (4/5 vote required) BTV 2019094

Recommendation:

That the Board of Supervisors:

1. Approve the attached budget amendment to increase appropriations in the amount of $711,797 within the Debt Service Fund and decrease appropriations within the Capital Project Fund in the amount of $711,797. The budget amendment will also increase the appropriations in the amount of $711,816 within the affected departments’ Operating Transfers Out – Debt Services account and decrease appropriations in the amount of $711,816 within the Operating Transfers Out – Capital Project account. (BTV No. 2019094).(4/5th vote required)

Background:

On February 25, 2014, the Board of Supervisors approved a contract with Chevron energy Solutions (CES) for an Energy Conservation Project. The project consists of several different fields of energy conservation: plumbing upgrades for water conservation, electrical savings which includes HVAC unit replacement, DELTA Controls upgrade, interior and exterior retrofit lighting, installation of solar arrays, emergency generator for County’s computer network, partial roof replacement at the Behavioral Health facility, and insulation at the Board Chambers on 2nd Street.

Since the approval, the General Service’s department, County Administrator’s Office, and the Auditor-Controller’s office have been working in conjunction to provide the appropriate internal procedures and accounting support regarding the project. It has come to light that the budgeted amount of the debt service obligation had been incorrectly budgeted in the Capital Project Fund and incorrectly budgeted in the departments’ Operating Transfers Out accounts. This budget amendment will correct the budgeted amount to be reflected in the Debt Service Fund and allow for General Services to allocate the transfer of debt service obligations by department appropriately.

Prior Board Action:

The Board of Supervisors approved the contract on February 25, 2014.
Board Alternatives:
None available.

Other Department and/or Agency Involvement:
Auditor-Controller.

Action Following Approval:
The Auditor-Controller’s office will process the budget amendment as appropriate and General Services will create a journal entry to allocate the debt service obligations to the appropriate departments.

Fiscal Impact:
None. Previously budgeted in FY 2018-19 adopted budget.

Countywide Goals and/or Top Priorities Compliance:
This item is consistent with the following Countywide Goals and Top Ten Priorities:

1. Provide local government leadership which is open, responsive, ethical, inclusive, and transparent, while recognizing and respecting legitimate differences of opinion.

2. Operate County government in a fiscally and managerially responsible manner to ensure Sutter County remains a viable and sustainable community to live, work, recreate, and raise a family

Standing Committee Review:
The Health and Welfare Committee reviewed this action at the May 3, 2019 meeting and recommended placement on the consent calendar for the Board of Supervisors.

Respectfully Submitted,

s/ Ken Sra
Director of General Services

Attachments:
1. Chevron BTV
2. BTV 2019094