

St. Petersburg City Council

Consent Agenda

Meeting of August 23, 2018

TO: The Honorable Lisa Wheeler-Bowman, Chair, and Members of City Council

SUBJECT: A resolution approving a transfer in the amount of \$2,197,078 from the unappropriated balance of the Equipment Replacement Fund (5002) to the Water Resources Equipment Replacement Fund (4007) to provide separate accounting and funding for scheduled replacement of the Water Resource Department equipment; approving a transfer in the amount of \$1,760,008 from the unappropriated balance of the Equipment Replacement Fund (5002) to the Stormwater Equipment Replacement Fund (4017) to provide separate accounting and funding for scheduled replacement of the Stormwater, Pavement and Traffic Operation Department equipment; and providing an effective date.

EXPLANATION:

Historically the accumulation of resources for equipment replacement citywide have been aggregated in the internal service fund Equipment Replacement Fund (5002) from the Water Resources Operating Fund (4001) and Stormwater Utility Operating Fund (4011) for replacement of equipment. In order to properly record the accumulation of these resources future equipment replacement of the Water Resources Department and Stormwater, Pavement and Traffic Operation Department, administration proposes separately recording the accumulation of these resources in the newly established Water Resources Equipment Replacement Fund (4007) and Stormwater Equipment Replacement Fund (4017). The segregated accounting will assist in compliance with Public Utility bond requirements to record accumulated assets related to the System with the System's financial account groups.

The equipment replacement funds will continue to be managed by the Fleet Management Department but separately accounted for in the proper Enterprise Fund group. The Water Resources Equipment Replacement Fund (4007) and the Stormwater Equipment Replacement Fund (4017) will roll up into the financial reporting Comprehensive Annual Financial Report group for Water Resources and Stormwater, respectively.

Revenue previously recorded as charges for services to the Equipment Replacement Fund (5002) from Water Resources Operating Fund (4001) and Stormwater Utility Fund (4011) for replacement of equipment will now be recorded to their respective separate equipment replacement fund, Water Resources Equipment Replacement Fund (4007) and Stormwater Equipment Replacement Fund (4017).

RECOMMENDATION: The Administration recommends that City Council adopt the attached resolution approving a transfer in the amount of \$2,197,078 from the unappropriated balance of the Equipment Replacement Fund (5002) to the Water Resources Equipment Replacement Fund (4007) to provide separate accounting and funding for scheduled replacement of the Water

Resource Department equipment; approving a transfer in the amount of \$1,760,008 from the unappropriated balance of the Equipment Replacement Fund (5002) to the Stormwater Equipment Replacement Fund (4017) to provide separate accounting and funding for scheduled replacement of the Stormwater, Pavement and Traffic Operation Department equipment; and providing an effective date

COST/FUNDING INFORMATION: Revenue previously recorded as charges for services to the Equipment Replacement Fund (5002) from the Water Resources Operating Fund (4001) and Stormwater Utility Fund (4011) for replacement of equipment will now be recorded to their respective separate equipment replacement funds, Water Resources Equipment Replacement Fund (4007) and Stormwater Equipment Replacement Fund (4017). In order to move funds previously transferred from the Water Resources Operating Fund (4001) and Stormwater Utility Fund (4011) to the Equipment Replacement Fund (5002) for scheduled replacement of Water Resources Department and Stormwater, Pavement, and Traffic Operation Department equipment, a transfer in the amount of \$2,197,078 is required from the unappropriated balance of the Equipment Replacement Fund (5002) to the Water Resources Equipment Replacement Fund (4007) and a transfer in the amount of \$1,760,008 is required from the unappropriated balance of the Equipment Replacement Fund (5002) to the Stormwater Equipment Replacement Fund (4017).

Attachment: Resolution

Approvals:

Administration:  Budget: 

A RESOLUTION APPROVING A TRANSFER IN THE AMOUNT OF \$2,197,078 FROM THE UNAPPROPRIATED BALANCE OF THE EQUIPMENT REPLACEMENT FUND (5002) TO THE WATER RESOURCES EQUIPMENT REPLACEMENT FUND (4007) TO PROVIDE SEPARATE ACCOUNTING AND FUNDING FOR SCHEDULED REPLACEMENT OF WATER RESOURCE DEPARTMENT EQUIPMENT; APPROVING A TRANSFER IN THE AMOUNT OF \$1,760,008 FROM THE UNAPPROPRIATED BALANCE OF THE EQUIPMENT REPLACEMENT FUND (5002) TO THE STORMWATER EQUIPMENT REPLACEMENT FUND (4017) TO PROVIDE SEPARATE ACCOUNTING AND FUNDING FOR SCHEDULED REPLACEMENT OF STORMWATER, PAVEMENT AND TRAFFIC OPERATION DEPARTMENT EQUIPMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City accumulates resources for equipment replacement citywide in the internal service fund Equipment Replacement Fund (5002); and

WHEREAS, revenue is currently recorded as charges for services to the Equipment Replacement Fund (5002) from the Water Resources Operating Fund (4001) and Stormwater Utility Operating Fund (4011) for replacement of equipment; and

WHEREAS, Administration desires to separately record the accumulation of these resources in the newly established Water Resources Equipment Replacement Fund (4007) and Stormwater Equipment Replacement Fund (4017); and

WHEREAS, transfers in the amount of \$2,197,078 from the unappropriated balance of the Equipment Replacement Fund (5002) to the Water Resources Equipment Replacement Fund (4007) and in the amount of \$1,760,008 from the unappropriated balance of the Equipment Replacement Fund (5002) to the Stormwater Equipment Replacement Fund (4017) are needed to provide for the separate accounting and funding necessary for scheduled replacement of the Water Resource Department equipment and for scheduled replacement of Stormwater, Pavement and Traffic Operation Department equipment.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida, that there is hereby approved the following transfer from the unappropriated balance of the Equipment Replacement Fund (5002) to the Water Resources Equipment

Replacement Fund (4007):

Equipment Replacement Fund (5002)

Water Resources Equipment Replacement
Fund (4007)

\$ 2,197,078

BE IT FURTHER RESOLVED that there is hereby approved the following transfer from the unappropriated balance of the Equipment Replacement Fund (5002) to the Stormwater Equipment Replacement Fund (4017):

Equipment Replacement Fund (5002)

Stormwater Equipment Replacement
Fund (4017)

\$ 1,760,008

This Resolution shall take effect immediately upon its adoption.

Approvals:

Legal:

Budget:

00391502

Administration: