



COUNTY OF HUMBOLDT

For the meeting of: 4/9/2024

File #: 24-381

To: Board of Supervisors

From: Public Works

Agenda Section: Consent

Vote Requirement: 4/5th

SUBJECT:

Supplemental Budget for Motor Pool-Reserve Fiscal Year 2023-24 (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve the Supplemental Budget request for Public Works' Motor Pool- Reserve (3500351) in the amount of \$715,154.
(4/5 Vote Required)

SOURCE OF FUNDING:

Motor Pool-Reserve 3500351

DISCUSSION:

Motor Pool replaces a portion of the vehicle fleet annually. During fiscal year (FY) 2022-23 delivery of replacement fleet vehicles was delayed until FY 2023-24. The funding for the vehicles was not "rolled" over to FY 2023-24 when the budget was adopted causing a shortfall in planned expenditures.

Additionally, the prices of the vehicles on the FY 2023-24 replacement schedule had unprecedented increases to the market prices, and, unfortunately, this increase occurred between budget development and bid awards. This caused some of the vehicle orders placed in FY 2023-24 to come in at an increased amount than what was adopted during the budget cycle.

During this time period there was also a change in accounting procedures that shifted the amount of the trade-in vehicles out of the fixed asset expenditure line to a revenue line. This change was a net budgetary shift but increased the total expenditure appropriation needed in the existing fixed asset line.

This supplemental budget will address the needed adjustments to both the revenue and expenditure lines in Motor Pool- Reserve budget 3500351 for FY 2023-24.

FINANCIAL IMPACT:

<i>Expenditures (3500,351)</i>	FY23-24
<i>Budgeted Expenses</i>	1,313,560

Additional Appropriation Requested	715,154
Total Expenditures	2,028,714

**Projected amounts are estimates and are subject to change.*

Funding Sources (3500,351)	FY23-24
Fees/Other	1,933,201
Use of Fund Balance	95,513
Total Funding Sources	2,028,714

**Projected amounts are estimates and are subject to change.*

Narrative Explanation of Financial Impact:

The total amount required for the supplemental budget is \$715,154. Funding from FY 22-23 was not expended as anticipated, due to vehicle deliveries outside of the FY in which the orders were placed. At the end of FY 22-23 there was a cash balance of \$1,350,168 in IGS-Motor Pool fund (3500), and Motor Pool operating rates were increased for FY 2023-24 to reflect the increases in expenses related to maintenance and fuel. The current cash balance in the IGS-Motor Pool Funds \$1,436,231 and is sufficient to fund the projected use of fund balance for FY 2023-24.

Fees are collected from county departments that use motor pool vehicles. This includes vehicles assigned to departments and those that check out vehicles for one time use directly from Motor Pool. There is no impact to the General Fund.

STAFFING IMPACT:

Narrative Explanation of Staffing Impact: N/A

STRATEGIC FRAMEWORK:

This action supports the following areas of your Board’s Strategic Framework.

Core Roles: Provide for and maintain infrastructure

New Initiatives: N/A

Strategic Plan: N/A

OTHER AGENCY INVOLVEMENT:

N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may choose not to approve the supplemental request. This is not recommended as the funding was previously allocated and fleet replacement vehicles will need to be paid for this current year.

ATTACHMENTS:

- 1) Supplemental Budget

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A

Meeting of: N/A

File No.: N/A