

Office of the County Auditor
Auditor's Analysis

Council Bill No. 13

Introduced: May 1, 2023

Auditor: Lori Buchman

Fiscal Impact:

The fiscal impact of this bill would result in an increase in budget appropriation of \$3.2 million for the Environmental Services Special Revenue Fund (Fund). According to the Department of Public Works (DPW), the increase would be needed to support operating costs, which have risen above the \$33 million that was projected for FY 2023.

As of May 1, 2023, we confirmed that the Fund had \$3.4 million of available appropriation. Based upon a review of spending to date and anticipated spending through FY 2023, available appropriations in the Fund may not be sufficient to cover the remaining FY 2023 obligations without this transfer.

Purpose:

The purpose of the proposed legislation is to provide emergency appropriation of \$3.2 million from the Environmental Service Special Revenue Fund's fund balance to provide additional spending authority in FY 2023 due to unanticipated increases in operating costs.

Other Comments:

The Fund is supported by fees generated through permit charges, user fees and other special charges. Council Resolution 72-2023 has been introduced to increase the fees in FY 2024. Despite the proposed fee increase in FY 2024, the revised cash flow model prepared by the Administration projects the Fund to be insolvent by FY 2034.

Per the Administration, the driver for this request is increased vendor pricing for the County's waste export services of over 30 percent compared to the prior year.