

RESOLUTION NO. 998

RESOLUTION OF THE BOARD OF PUBLIC UTILITIES APPROVING THE "BUDGET STRATEGIES – REVENUE SHORTFALL/OVERAGE" GUIDELINES

WHEREAS, for the last four years, Santa Rosa's water enterprise fund has experienced unprecedented declines in water revenues due to the compounded effects of drought, regulatory water restrictions, economic downturn, water conservation, new aggressive tiered water rates and, in 2010, cool summer weather; and

WHEREAS, reserve levels have dropped below recommended target levels; and

WHEREAS, the Board of Public Utilities desires to adopt guidelines to be enacted if revenues do not meet projections in order to make sure the reserves do not drop any further and to bring the reserves back to target levels; and

WHEREAS, Utilities staff prepared "Budget Strategies – Revenue Shortfall/Overage" Guidelines which are attached to this resolution and have been discussed with the Board in Study Session; and

WHEREAS, the 'Budget Strategies – Revenue Shortfall/Overage' Guidelines outlines the steps to be taken to reduce the Capital Improvement Program (CIP) when revenues fall short of projections in excess of 5% of the rate usage charge at the end of a quarter and reserves are below target levels.

NOW THEREFORE, BE IT RESOLVED that the Board of Public Utilities approves the "Budget Strategies – Revenue Shortfall/Overage" Guidelines.

DULY AND REGULARLY ADOPTED by the City of Santa Rosa Board of Public Utilities this 19th day of May, 2011.

AYES: (7) DOWD, GALE, CARNEY, GALVIN, LOWRY, MEECHAN AND SWINTH

NOES: (0)

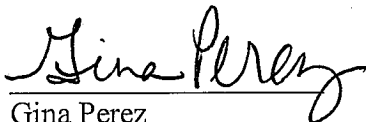
ABSENT: (00)

ABSTAIN: (0)

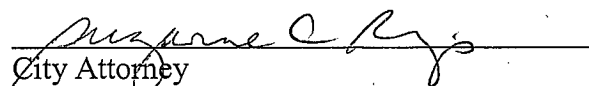
APPROVED:


Chairman Richard Dowd

ATTEST:


Gina Perez
Recording Secretary

APPROVED AS TO FORM:


City Attorney