

STAFF REPORT REGULAR MEETING

AGENDA DATE: July 28, 2026

DEPARTMENT: Electric Utility

TITLE:

Resolution 29-2026 transferring funding from the Storm Fund to the Rate Stabilization Fund

SUMMARY:

Authorizing the transfer of \$500,000 from the Electric Utility Storm Fund to the Rate Stabilization Fund

BACKGROUND AND JUSTIFICATION:

In November 2023, recognizing the vulnerability of the City's electric utility infrastructure to severe weather events, the City Commission adopted Resolution No. 52-2023 establishing the Electric Utility Storm Fund (Storm Fund). To provide initial funding for the Storm Fund, \$500,000 was transferred from the Electric Utility's excess Power Cost Adjustment (PCA) revenues as of August 2023. The excess PCA revenues generally fund the Electric Utility Rate Stabilization Fund (RSF).

Subsequently, in September 2024, the City Commission adopted Resolution No. 42-2024, implementing a \$5.00 monthly surcharge on all electric utility accounts to support the continued growth and long-term sustainability of the Storm Fund.

As a result of the Storm Fund's continued growth and strong financial position, Electric Utility staff, in coordination with the Finance Department, recommend transferring the original \$500,000 funding from the Storm Fund to the RSF. This action would restore funding intent of the PCA revenues to the RSF while maintaining a sufficient balance within the Storm Fund to support its intended purpose of enhancing the utility's financial preparedness for future storm-related events.

MOTION:

Move to approve/disapprove Resolution 29-2026 transferring \$500,000 from the Storm Fund to the Rate Stabilization Fund.

ATTACHMENT(S):

Fiscal Impact Analysis
Resolution 29-2026
Resolution 52-2023

FISCAL IMPACT ANALYSIS

Five-Year Summary of Fiscal Impact:

Fiscal Years	2026	2027	2028	2029	2030
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
Cash	\$500,000	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact (If not budgeted)	\$500,000	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

Budget Transfer Impact		
	Revenue Source	Revenue Source
Department	EU Storm Fund	Electric Fund
Division	N/A	N/A
GL Description	Cash	Cash
GL Account Number	111-0000-101.01-01 (Transfer Out)	401-0000-101.01-01 (Transfer In)
Project Number	N/A	N/A
Requested Funds	\$500,000	\$500,000