

REPORT TO THE BOARD OF MAYOR & ALDERMEN

DATE: January 12, 2026

FROM: J.P. Spas, Budget Officer

SUBJECT: Resolution 2026-02 - A Resolution to Amend the FY 2026 Water and Sewer Fund and Capital Investment Program (CIP) Budgets

INTRODUCTION:

The purpose of this agenda item is: A. to amend the FY 2026 Water and Sewer Fund Budget to appropriate unrestricted cash and budget the related line-item and capital expenditures; and, B. to amend the FY 2026 CIP revenue line-item and budget the related capital expenditures.

DISCUSSION:

A. Water and Sewer Fund Budget Amendment

LCRI Service Line Inspections

Public Utilities is requesting a budget amendment to appropriate \$320,000.00 of Water & Sewer Fund unrestricted cash for the Lead and Copper Rule Improvements (LCRI) Service Line Inspections operating project. In addition, Utilities is requesting a budget transfer in the amount of \$250,000.00 from the Water Distribution Professional Services operating account, which was included in the FY 2026 Adopted Budget for this purpose. This will bring the total operating project budget to \$570,000.00 which will be tracked in a newly established account separate from the department's other operating budget activity. (Please refer to Exhibit A and the Memo "Budget Transfer and Amendment Request – Service Line Inspection Project (LCRI Compliance).")

Col-Arl Bridge Sewer Relocate

Public Utilities is requesting a budget amendment to appropriate \$1,455,373.00 of Water & Sewer Fund unrestricted cash for the Collierville-Arlington Bridge Sewer Relocate CIP project. This project is the sewer relocation portion of the TDOT project to replace the Collierville-Arlington Rd bridge over the Wolf River. This will bring the total project budget to \$1,485,373.00. Of this amount, \$1,415,553.80 will be eligible for reimbursement from TDOT. (Please refer to Exhibit A and the Memo "Budget Transfer and Amendment Request – Col-Arlington WR Bridge Replacement Project.")

B. Capital Improvement Program Budget Amendment

If the capital project budget amendment is approved, the Finance Department is requesting a budget amendment to appropriate and reflect the additional \$1,455,373.00 in the Town's Capital Investment Program. (Please refer to Exhibit B)

BUDGET IMPACT:

A. The FY 2026 Water and Sewer Fund Budget would be amended as follows:

	Revenue/ Other Sources	Expenditures/ Other Uses
Current Budget	\$ 17,983,972	\$ 17,816,246
Amendment	<u>-</u>	<u>320,000</u>
Amended Budget	17,983,972	18,136,246
Other Funding Sources:		
Fund balance appropriation		
Unrestricted cash appropriation	<u>1,517,433</u>	<u>1,485,433</u>
Totals	<u>\$ 19,501,405</u>	<u>\$ 19,621,679</u>

B. The FY 2026 Capital Investment Program budget would be amended as follows:

	Revenue/ Other Sources	Expenditures/ Other Uses
Current Budget	\$ 16,032,211	\$ 16,032,211
Amendment	<u>1,455,373</u>	<u>1,455,373</u>
Amended Budget	<u>\$ 17,487,584</u>	<u>\$ 17,487,584</u>

Funding Sources:

Water and Sewer Fund Unrestricted Cash \$ 1,455,373

ATTACHMENTS:

[2026-02 Exhibit A.pdf](#)

[2026-02 Exhibit B.pdf](#)

[2026-02 Resolution.pdf](#)

PROPOSED MOTION:

To approve Resolution 2026-02, to amend the FY 2026 Water and Sewer Fund and Capital Investment Program (CIP) budgets.

Board Action: Motion By _____ **Seconded By** _____

Vote Total	Hall	Jordan	Robbins	Marshall	Stamps	Fraser
Yes						
No						
Abstain						