



Legislation Text

File #: 44741, **Version:** 1

Fiscal Note

This resolution amends the Sewer Utility's adopted 2016 Capital Budget by changing the funding source for \$3 million of budgeted funding from Revenue Bond Proceeds to Utility Reserves for multiple capital projects. The net zero impact of this change in funding source seeks to reduce the amount of borrowing for 2015-2016 capital projects of the Sewer Utility. At the end of 2015 the Sewer Utility had \$18.8 million in reserves, and is considered to be in sufficient financial standing to use \$3 million of reserves for these project costs.

MUNIS:

The various projects will be adjusted so that the funding sources are switched for the indicated funding amounts in the attached list of projects.

xxxxx-83-806 \$x
xxxxx-83-808 (\$x)

Title

Amending the 2016 Capital Budget of Sewer Utility to exchange Revenue Bond funding of certain capital projects with Utility Reserves funding.

Body

WHEREAS the Sewer Utility issues Revenue Bonds every other year to finance capital projects; and

WHEREAS an estimated \$17.6 million of funding is needed for 2015-2016; and

WHEREAS, since Sewer Utility has a healthy cash balance, it makes sense to reduce borrowing and apply more utility reserves; and

WHEREAS converting revenue bonds to utility reserves for capital projects needing less than \$250,000 will decrease the necessary bonds by \$3,000,000.

NOW, THEREFORE, BE IT RESOLVED, that the 2016 Capital Budget of Sewer Utility is hereby amended to exchange budget authority from Revenue Bond Proceeds with Utility Reserves for the projects on the attachment to this resolution.