



Lake Havasu City

Lake Havasu City
Police Facility
2360 McCulloch Blvd North
Lake Havasu City, Arizona
86403
www.lhcaz.gov

Legislation Text

File #: ID 17-1390, Version: 1

COUNCIL COMMUNICATIONS

TO: Honorable Mayor and Council

FROM: Tabatha Miller, Administrative Services Director
Cassandra Clow, Senior Budget Analyst

SUBJECT:

Adopt Resolution No. 17-3186 Amending Resolution No. 17-3155 and Transferring Budget Appropriations from One Fund, Department, or Division to Another for Fiscal Year 2017-18

FUNDING SOURCE:

Various Departments

PURPOSE:

Adopt a resolution to transfer budget appropriations from one fund, department, or division to another for Fiscal Year 17-18.

BACKGROUND:

Since the FY 17-18 budget was adopted back in June, a few areas have been identified in which a budget amendment is necessary.

The City budgeted to borrow the required PSPRS contributions for the next two years in order to exclude those costs from the expenditure limitation. The borrowing of the funds necessitates paying off a portion of the outstanding 2016 Excise Tax obligations to meet the debt service coverage ratio pledging the City's local sales tax revenues. The 2016 Excise Tax obligations were issued to further the Community Investment Program (CIP), while excluding those expenditures from the expenditure limitation. In order to save interest and free up the pledged revenue, staff recommended paying off the full 2016 Excise Tax bonds. On October 24, 2017, City Council adopted Resolution No. 17-3180, which authorized payment of the outstanding principal of \$9,760,000. This early repayment requires a budget transfer. This amendment reflects an increase of \$6.7 million to Non-Departmental with a corresponding reduction of \$6.7 million from Wastewater depreciation.

Last fiscal year, Council approved the use of contingency funds for the relocation of the server room in order to complete the dispatch radio system project. Due to a budget shortfall at the end of the fiscal year, the Wastewater fund was not able fund their portion of the costs. This amendment is to add an operating transfer from the Wastewater Fund to the CIP Fund in the amount of \$40,000 to reimburse the CIP Fund for Wastewater's portion of the server room project cost.

COMMUNITY IMPACT:

N/A

FISCAL IMPACT:

This budget amendment does not affect the overall budget; rather, it is a shift of budget appropriation from one fund/department/division to another. Council will be approving the adjustment of budgeted expenditure levels and operating transfers of the affected funds as allowed by A.R.S. §42-17106.

ATTACHMENTS:

Resolution No. 17-3186

State Budget Schedule D - Amended - Other Financing Sources/ <Uses> and Interfund
Transfers

State Budget Schedule E - Amended - Summary by Department of Expenditures/Expenses
within Each Fund Type

State Budget Schedule F - Amended - Summary by Department of Expenditures/Expenses

SUGGESTED MOTION:

I move to adopt Resolution No. 17-3186 amending Resolution No. 17-3155 and approving the budget amendments listed on schedules D, E, and F for Fiscal Year 17-18.