



TO: T.C. Broadnax, City Manager
FROM: Andrew Cherullo, Director of Finance
Teresa Sedmak, City Treasurer
COPY: City Council and City Clerk
SUBJECT: Ordinance – Re-allocating Unspent Bond Proceeds - December 2, 2014
DATE: November 19, 2014

SUMMARY:

The City has unspent proceeds remaining in its project funds related to its LTGO bonds, Series 2009A – F, Series 2010E and Series 2010F. Originally allocated to various projects, such as: Cheney Stadium, Salishan/Old Town Dock, Brownfields and other capital projects, excess funds of approximately \$3.16 million remain unspent.

It is requested that \$3 million of these excess funds be reallocated and applied towards the Lincoln streetscape improvements which are included in the proposed 2015-2016 Biennium Budget.

STRATEGIC POLICY PRIORITY:

This action works towards the following strategic policy priorities:

- Strengthening and maintaining a strong fiscal management position by applying funds on-hand to a public capital project.
- Fostering neighborhood, community, and economic development vitality and sustainability, by beautifying public spaces.

BACKGROUND:

Projects which were financed with the 2009 LTGO bonds were defined in Ordinance No. 27852, dated November 24, 2009. Projects financed with 2010D and 2010E LTGO bonds were outlined in Substitute Ordinance No. 27921, dated September 16, 2010. Monies remaining in these project funds, and not required to complete the designated projects, are requested to be re-allocated to the Lincoln Streetscape improvements which are included in the proposed 2015-2016 Biennium Budget.

ALTERNATIVES:

Funds currently on hand in the form of unspent bond proceeds may be used for public capital projects including the Lincoln Streetscape improvements. Should these funds not be re-allocated to this project, they could be applied to other permitted capital uses. However, if these funds are not directed towards cost of the Lincoln Streetscape improvements, either: (1) there would need to be funds transferred from other areas, or (2) the Lincoln Streetscape improvements would be unfunded.

RECOMMENDATION:

It is recommended that excess bond proceeds remaining in accounts related to the City’s Series 2009A – 2009E LTGO bonds and the City’s Series 2010D and 2010E LTGO bonds, in the cumulative amount of \$3.0 million, be re-allocated to cover the costs of the Lincoln Streetscape improvements which are included in the proposed 2015-2016 Biennium Budget.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Lincoln Streetscape Improvements		5600000	\$3,000,000
TOTAL			\$3,000,000

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Fund 3218 – 2009 LTGO Bonds		6398500	\$1,442,122
Fund 3220 – 2010 LTGO Bonds		6398500	\$1,557,878
TOTAL			\$3,000,000

POTENTIAL POSITION IMPACT:

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
N/A			
TOTAL			

This section should only be completed if a subsequent request will be made to increase or decrease the current position count.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Expenditures and revenues for the Lincoln Streetscape improvements are included in the proposed 2015-2016 Biennium Budget.