



Administrative/Fiscal Note



Part I.

Date:	File/Resolution Number:
3/16/2017	Original: <input checked="" type="radio"/> Substitute: <input type="radio"/>
Title:	
<i>Interim City Funding of the Special Assessment Portion of the Private Lead Water Service Replacement Program Being Done in Conjunction with a DNR Grant</i>	
Submitted By (Name, Title, Department, Ext.)	
<i>Peggy Steeno, Finance Director, Finance Department, Phone 302-8252</i>	
Description:	
<i>This fiscal note outlines the source of interim funding/financing for the Special Assessment Portion of the Private Lead Water Service Replacement Program that is being done in conjunction with the \$500,000 DNR Grant.</i>	
Mandate:	Sunset?
<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (attach documentation)	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes – term is up to 10 years for repayment

Part II.

This file (check all that apply):	
<input type="checkbox"/> Increases previously authorized expenditures	<input type="checkbox"/> Decreases previously authorized expenditures
<input type="checkbox"/> Increases city services	<input type="checkbox"/> Decreases city services
<input type="checkbox"/> Increases revenue	<input type="checkbox"/> Decreases revenue

Part III.

Purpose	Specify type/use	Expenditure	Costs Avoided	Ongoing	1-3 yrs	1-10 yrs
Salaries/Wages		\$	\$			
Fringe Benefits		\$	\$			
Supplies/Materials		\$	\$			
Equipment		\$	\$			
Services		\$	\$			
Other	<i>Use of General Fund Reserves</i>	\$240,000.00	\$			X

Assumptions used in arriving at fiscal estimate:

- *This is a temporary cash outlay/short term use of general fund reserves (Fund Balance) to cash flow a portion of the project*
- *Up to \$240,000 will be paid to contractor upon completion of the private lead water service replacements*
- *The entire amount, with appropriate interest, will be returned to general fund reserves in the future / Property owners will pay back the total amount over time, paid in ten (10) annual installments / repayment is secured by a 'lien' on the property until repayment is complete*
- *Interest earned on special assessments will offset the loss of interest earnings due to not being able to invest these specific general fund reserves*
- *Note: The amount needed does not warrant a public borrowing and general fund reserves are available to be used for this purpose*

Part IV.

Revenue Source:
<input type="checkbox"/> Department Account # _____
<input type="checkbox"/> Grants <input type="checkbox"/> Matching <input type="checkbox"/> Fees <input type="checkbox"/> TIF <input type="checkbox"/> Contingent Fund
<input checked="" type="checkbox"/> Other, list: <i>General Fund Reserves (Undesignated General Fund, Fund Balance)</i>

Part V.

Impacts
Does this impact citizens or businesses in the City? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes – Describe impact: <i>Allows the City to offer the special assessment program (financing) for the replacement of private lead water services to citizens who are able to repay the cost over a ten (10) year period without having to secure private financing, making the replacement more feasible for the homeowners.</i>
Does this impact employees or operations <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes – Describe impact: <i>There will not be a negative impact on City employees or operations due to this initiative.</i>
What are the goals?
<i>The goals are to make the most prudent financial decision regarding the funding of these special assessments and to be able to offer the program to our citizens to make the replacements possible for them without an undue, up front financial burden.</i>
What are the performance criteria?
<i>The performance criteria is executing the plan and recording and monitoring the program to ensure property use and return of the funds.</i>
Describe Timetable:
<i>The project is slated to begin in 2016 and could continue up to three years per the accompanying DNR grant. The contractor will be paid as work is completed, and the special assessments will be imposed in an appropriate manner consistent with City policy. The repayments will occur within ten (10) years of the special assessments being imposed.</i>
Miscellaneous
Does this require new positions? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, how many?
Information Technology resources needed? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes – describe:

Part VI.

Performance Measurement Review Requested by committee or Common Council? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Timeline for review: _____