

## STAFF REPORT

AGENDA ITEM #: 18-82  
COUNCIL MTG OF: June 19, 2018  
FROM: Dave Caron, Town Administrator  
OFFERED BY: Administration  
PREPARED BY: Susan Hickey, Chief Financial Officer  
SUBJECT: Transfer Funds from Completed Capital Project Accounts

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### INTRODUCTION:

To transfer balances remaining in completed capital projects funds; specifically, the Transfer Station and Rockingham Road; to the general fund Other Municipal Obligations to offset principal debt service payments on bonds issued for these projects.

### TOWN ADMINISTRATOR COMMENTS

The Town Council is encouraged to approve the transfer of the unexpended funds in completed capital projects funds to the general fund to offset principal portions of debt issued for those projects.

### BACKGROUND

In 2013 a general obligation bond was issued to cover the cost of utility improvements and culvert replacements, drainage upgrades and water and sewer main installations on Rockingham Road. The project has been completed with a remaining balance of \$23,040.62.

In 2012 a general obligation bond was issued to construct the Transfer Station. The project has been completed with a remaining balance of \$79,337.62.

### DISCUSSION

After conferring with the Town's Bond Counsel, it has been confirmed that the remaining balance of these projects can be closed, and funds transferred to the General Fund Other Municipal Obligations Principal Debt Service line item to offset the cost of the annual bond payments for these projects.

Funds in Other Municipal Obligations originally earmarked for debt service payments are recommended to be transferred to the Department of Public Works budget to defray excess FY18 expenses incurred managing solid waste due to the continued strong economy, and snow removal costs incurred as a result of the severe winter.

### FISCAL IMPACT

The total amount available to transfer from these projects is \$102,378.24. Immediately upon transfer, the capital project funds will be closed. The total amount will be transferred to the General Fund to offset debt service payments for these projects.

### RECOMMENDED ACTION & MOTION BY COUNCIL

I move the adoption of Resolution #2018-038 (please read the motion).

Please see Resolution #2018-038