

STAFF REPORT

AGENDA ITEM #: 19-94
COUNCIL MTG OF: August 13, 2019
FROM: Dave Caron, Town Administrator
OFFERED BY: Administration
PREPARED BY: Susan Hickey, Chief Financial Officer
SUBJECT: Transfer Funds to Capital Reserve Funds

INTRODUCTION: To transfer balances owed to Department of Public Works Capital Reserve Fund for first annual reimbursement for the solar project at the Transfer Station/Wastewater Facility.

TOWN ADMINISTRATOR COMMENTS

The Town Council is encouraged to approve the transfer of funds from the Transfer Station and Wastewater fund to the capital reserve fund for the Department of Public Works. Beginning with the FY 21 budget, these transactions will be reflected in the annual budget to be presented to the Council, thus eliminating the need for an end of fiscal year transfer.

BACKGROUND

In 2018 a payment was made from the Department of Public Works Capital Reserve Fund to finance a solar project located at the Transfer Station and generating power to the Transfer Station, Highway Garage, Vehicle Maintenance Building and Wastewater Facility. The total amount of the loan was \$226,240 and was estimated to be paid back to the DPW Capital Reserve Fund in ten years. The project has been completed and a meter located at the Transfer Station is tracking the amount of solar power generated.

DISCUSSION

The amount to be reimbursed by the general fund and wastewater facility is \$26,522. The Wastewater Facility had estimated a payment of \$12,138. This transfer was included in the FY19 budget and has been completed. The Transfer Station contribution is estimated at \$9,880. The remaining amount is \$4,504, which is being recommended to be transferred from the Wastewater Facility given the share estimates of 1/3rd Transfer Station and 2/3rd Wastewater Facility.

FISCAL IMPACT

The total amount available to transfer from these projects is \$14,384; \$9,880 from Transfer Station Electricity savings and \$4,504 from the Wastewater Facility Electricity line. The total amount will be transferred to the DPW Capital Reserve Fund for the first-year repayment of the solar project loan.

RECOMMENDED ACTION & MOTION BY COUNCIL

I move the adoption of Resolution #2019-050 (please read the motion).