



STAFF REPORT

AGENDA ITEM #: 20-84
COUNCIL MTG OF: August 18, 2020
FROM: Dave Caron, Town Administrator
OFFERED BY: Administration
PREPARED BY: Mark A. Fleischer, Chief Financial Officer
SUBJECT: Transfer Funds to PW Capital Reserve

INTRODUCTION: To transfer balances owed to Department of Public Works Capital Reserve Fund for second 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.

BACKGROUND

In 2018 a payment was made from the Public Works Capital Reserve Fund to finance a solar project located at the Transfer Station which generates 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 repaid to the DPW Capital Reserve Fund over ten years based on the amortization schedule received. The array is in service 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 is \$26,522. A transfer from Wastewater in the amount of \$12,138 was included in the FY20 budget. Due to realized savings, the Transfer Station contribution is estimated at \$11,270. The remaining amount of \$3,114 is being recommended to be transferred from Wastewater given that the COVID-19 pandemic increased activity at the Transfer Station which in turn lowered the expected savings yield for that facility.

FISCAL IMPACT

The additional amount available to transfer is \$14,384; \$11,270 from Transfer Station electricity savings and \$3,114 from the Wastewater electricity line. The total amount of \$26,522 will be transferred to the Publics Works Capital Reserve Fund representing the second-year repayment of the solar project loan.

RECOMMENDED ACTION & MOTION BY COUNCIL

I move the adoption of Resolution #2020-042 (please read the motion).