

Item #140149

Proposed Annual Operating Budget Fiscal Years 2015 & 2016

Presentation 2

July 22, 2014

CONNECTFREE/ SURCHARGE ON CONNECTION FEES

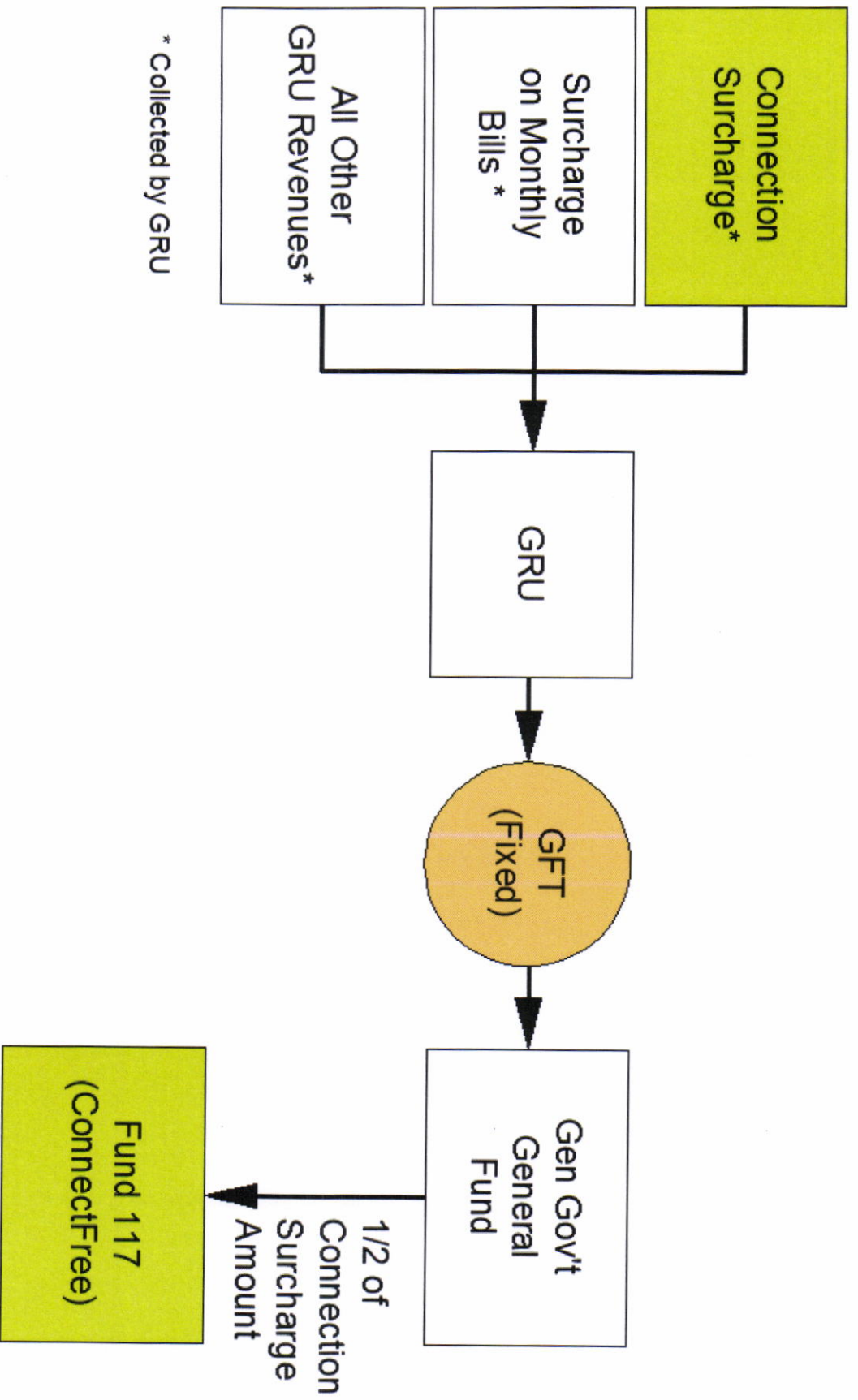
ConnectFree Resolution Overview

- Passed July 2003; Revised November 2005; Revised January 2014
- ½ of proceeds from surcharge on W/WW connection charges outside City go to General Government ConnectFree fund
- Extension of Water, WW & Reclaimed water to residences inside City
- Prioritization

Source of Funds: Surcharge on W/WW Connection Charges Outside City

Connection Charge for 5/8" meter outside City limits

	Connect	25%
	<u>Charge</u>	<u>Surcharge</u>
Water	\$1,550	\$387.50
Wastewater	\$3,680	\$920.00
Total	\$5,230	\$1,307.50



Connection Surcharge :

Flow of Funds Under Current GFT System

2014 & Projected 2015 ConnectFree Balances

Total Fund Balance	\$1,297,469
Empowerment Homeless Center	- \$625,000
Arbour Valley Affordable Housing Project	- \$46,000
<u>Reichert House</u>	<u>- \$10,000</u>
2014 Net Available Balance	\$616,469
Allocation of ½ of 2014 W/WW Surcharge Rev	\$125,000
<u>Other ConnectFree Projects (approximate)</u>	<u>-\$80,000</u>
Projected 2015 Net Available Balance	\$661,469

Surcharge on Connection Fees

Surcharge on Connection Fee Options

- Continue as is - refer to committee for further discussion
- Continue as is - discuss at a future City Commission meeting
- Moratorium in FY15, reduce GFT \$250,000
- Discontinue in FY15, reduce GFT \$250,000

ConnectFree/ Surcharge on Connection Fees

Surcharge on Connection Fee Balance
(about \$600,000)

- Maintain in GG budget and continue to use for ConnectFree
- Transfer funds to GRU's water reserve fund and use the same amount of funding to offset electric rates

General Fund Transfer

- Maintain GFT at \$35,142,000 as agreed by resolution on April 17, 2014
- Reduce GFT to \$34,892,000 if elimination of surcharge on Connection Fees

Recommendation

The City Commission direct the City Attorney to draft, and the Clerk of the Commission to advertise an ordinance to adopt the recommended rates and charges for Electric, Water, Wastewater and Gas.