



Legislation Text

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Resolution to Establish a General Fund Transfer formula for the Combined Utility System FY15 - FY19 (B)

This item involves a request for the City Commission to adopt the proposed resolution establishing a General Fund Transfer formula for the period FY15-FY19.

FY14 represents the final year of the current four year fixed dollar transfer agreement between General Government and GRU. At the FY15 - FY19 Five Year Financial Forecast workshop on January 27, staff presented a proposed General Fund Transfer (GFT) methodology for the years FY15 - FY19. The following primary features of the methodology are incorporated in the proposed Resolution, which formalizes the agreement:

- The base amount of the Transfer shall be established at a level equal to the dollar amount of the FY14 Transfer that would have been generated under the Formula in effect from FY00 through FY10;
- This base amount shall be increased by 1.5% per year over the period FY15 through FY19; and
- From this amount, the actual amount of ad valorem revenue received each year by the City related to the GREC Biomass Facility will be deducted.

Included as backup are materials addressing questions raised by the City Commission during the January 27th workshop:

- Trend data, historical and prospective, on the GFT as a percentage of GRU operating revenues, including and excluding fuel;
- A side-by-side comparison of the GFT features from FY00 through FY19; and
- A comparison of the GFT dollar level for FY10 - FY14 vs what would have been generated under the formula in place between FY00 through FY10.

Upon adoption of the proposed Resolution, FY15 GFT budgets for both General Government and GRU will reflect the revised formula components.

The City Commission adopt the proposed resolution prescribing the revised General Fund Transfer methodology for the years FY15 - FY19.