

MASTER

RESOLUTION #RES2012-29

A RESOLUTION AUTHORIZING THE CITY TO APPROVE TWO BUDGET AMENDMENTS IN THE WATER & SEWER ENTERPRISE FUND NECESSITATED BY (1) THE PURCHASE OF THREE UTILITY SYSTEMS AND (2) AN INTERFUND LOAN TO GREENLIGHT COMMUNICATIONS SERVICE.

WHEREAS, the City of Dunnellon purchased 3 utility systems after the 2011-2012 Fiscal Budget had been approved requiring a budget amendment to reflect both the appropriations of new revenues and authority for expenditures not in the original budget as shown in Exhibit A; and

WHEREAS, Greenlight Communications experienced delays in acquiring necessary fiber for installation, securing permits and construction which ultimately caused an inability to secure projected customers within the budgetary timeframe thus requiring a Budget Amendment using an interfund loan to officially balance the budget between revenues and expenditures and requesting the Council authorize within the 2011-2012 Budget the necessary additional expenditures.

NOW THEREFORE BE IT RESOLVED:

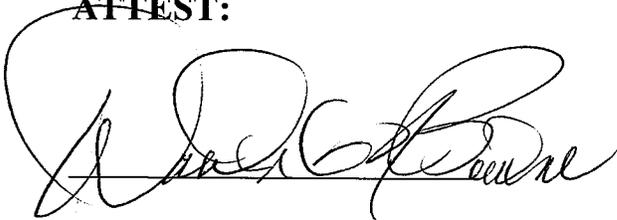
1. That the 2011-2012 Dunnellon City Budget is amended to reflect the appropriation of new revenues and authority for corresponding expenditures realized by the purchase of three utility systems as detailed in Exhibit A.
2. That an interfund loan from the Enterprise Water & Sewer Utility Reserve Funds to the Enterprise Greenlight Communications Fund in the amount of \$1,478,430.00 is authorized at .01% per anum to be paid in its entirety by 2017.
 - a. The Director of Finance shall transfer from the Enterprise Water & Sewer Utility Reserve Fund to the Enterprise Greenlight Communications Fund the sum of \$ 1,478,430.00.
 - b. No funds restricted by law or bond covenants shall be used by the Director of Finance in this transaction.
 - c. That the Dunnellon City Council pursuant to this Budget Amendment authorizes the additional expenditures in the 2011-2012 Budget that were

approved during the Budget Year through bid and purchase orders and must now be approved as part of the actual budget and balanced by the revenues from the interfund loan as referenced in amount, term and interest rate in Section 2.

UPON MOTION DULY MADE AND CARRIED, THE FOREGOING RESOLUTION WAS ADOPTED BY THE CITY COUNCIL OF THE CITY OF DUNNELLON THIS 13TH DAY OF NOVEMBER, 2012.

ATTEST:

CITY OF DUNNELLON, FLORIDA

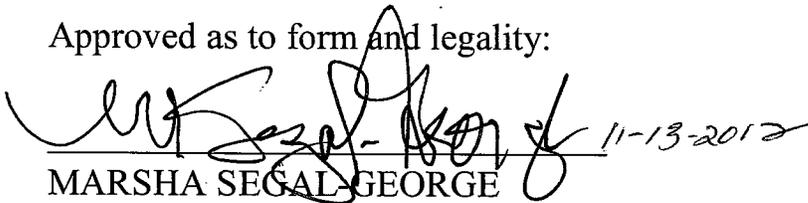


DAWN M. BOWNE, MMC
CITY CLERK *11-13-2012*



FRED R. WARD, MAYOR *11-13-2012*

Approved as to form and legality:



MARSHA SEGAL-GEORGE
FOWLER, O'QUINN, FEENEY & SNEED, P.A.
28 WEST CENTRAL BOULEVARD
SUITE 400
ORLANDO, FLORIDA 32801

**City of Dunnellon
Water Fund Summary
FY 2011-2012**

	Original Budget	Amended Budget
	\$	\$
<u>REVENUE</u>		
Monthly Income	381,320	923,812
Miscellaneous	7,805	2,933
Total Revenue	389,125	926,745
<u>OTHER SOURCES</u>		
Loan Proceeds	-	3,637,760
Reserves	363,468	140,538
Total Other Sources	363,468	3,778,298
Grand Total Revenue and Other Sources	752,593	4,705,043

Note: Loan Proceeds include 56% of the total borrowed for the acquisition of Rainbow Springs and Juliette Falls utilities. 44% of the loan proceeds for Rainbow Springs and Juliette Falls utilities is recorded in the Sewer Enterprise Fund.

	Original Budget	Amended Budget
	\$	\$
<u>EXPENSES</u>		
Operating	737,293	1,256,842
Capital	15,300	3,407,894
Debt Service	-	40,307
Total Expenses	752,593	4,705,043
Reserves	-	-
Total Expenses and Reserves	752,593	4,705,043

Note: Capital Expenses reflects 56% for the acquisition of Rainbow Springs and Juliette Falls utilities. 44% of the acquisition cost is recorded in the Water Enterprise Fund.

**City of Dunnellon
Sewer Fund Summary
FY 2011-2012**

	<u>Original Budget</u>	<u>Amended Budget</u>
	<u>\$</u>	<u>\$</u>
<u>REVENUE</u>		
Monthly Income	315,983	1,379,139
Miscellaneous	35,052	160
Total Revenue	<u>351,035</u>	<u>1,379,299</u>
<u>OTHER SOURCES</u>		
Grants	750,000	750,000
Loan Proceeds	804,463	3,644,570
Reserves	125,372	-
Total Other Sources	<u>1,679,835</u>	<u>4,394,570</u>
Grand Total Revenue and Other Sources	<u>2,030,870</u>	<u>5,773,869</u>

Note: Loan Proceeds include 44% of the total borrowed for the acquisition of Rainbow Springs and Juliette Falls utilities. 56% of the loan proceeds for Rainbow Springs and Juliette Falls utilities is recorded in the Water Enterprise Fund.

	<u>Original Budget</u>	<u>Amended Budget</u>
	<u>\$</u>	<u>\$</u>
<u>EXPENSES</u>		
Operating	866,116	1,524,542
Capital	30,000	2,733,135
Grants	804,463	752,150
Debt Service	330,291	181,275
Total Expenses	<u>2,030,870</u>	<u>5,191,102</u>
Reserves	-	582,767
Total Expenses and Reserves	<u>2,030,870</u>	<u>5,773,869</u>

Note: Capital Expenses reflects 44% for the acquisition of Rainbow Springs and Juliette Falls utilities. 56% of the acquisition cost is recorded in the Water Enterprise Fund.

Exhibit A

**City of Dunnellon
Communications Fund Summary
FY 2011-2012**

	Original Budget	Amended Budget
	\$	\$
<u>REVENUE</u>		
Monthly Income	2,044,400	52,609
Miscellaneous	-	3,498
Total Revenue	2,044,400	56,107
<u>OTHER SOURCES</u>		
Loan Proceeds (Bank & Interfund)	704,818	5,152,828
Transfer In		300,000
Reserves	-	-
Total Other Sources	704,818	5,452,828
Grand Total Revenue and Other Sources	2,749,218	5,508,935
	Original Budget	Amended Budget
	\$	\$
<u>EXPENSES</u>		
Operating	1,935,095	1,635,238
Capital	67,000	2,664,526
Debt Service	747,123	331,636
Total Expenses	2,749,218	4,631,400
Reserves	-	877,535
Total Expenses and Reserves	2,749,218	5,508,935

Exhibit A