



**MEETING OF APRIL 18, 2023**

**TO:** Mayor Jordan and City Council  
**THRU:** Paul Becker, Chief Financial Officer  
**FROM:** Kevin Springer, Budget Director  
**DATE:**  
**SUBJECT:** **Approval of a Budget Adjustment to Recognize Interest Revenue on the 2019 Phase I Bonds.**

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**RECOMMENDATION:**

Staff recommends approval of a budget adjustment to recognize interest revenue earned on the 2019 Phase I Bonds.

**BACKGROUND:**

On April 9, 2019, the Citizens voted to authorize Sales Tax Bonds of up to \$226,065,000 for various purposes as specified in Ordinance 6126 approved by the City Council. Phase One of the bond improvements was approved at the June 4, 2019, City Council meeting which resulted in the final issuance of \$127,595,000 par value worth of bonds.

From the time of issuance, each bond earns interest revenue and when those additional funds are needed, a budget adjustment is prepared to recognize the interest earned. The total amount of revenue recognized was \$1,292,267 and was approved at the following City Council meetings.

- November 16, 2021: \$315,000 in Police 2019 Bond Project Interest.
- December 21, 2021: \$65,623 in Drainage 2019 Bond Project Interest.
- February 1, 2022: \$165,249 in Arts Corridor 2019 Bond Project Interest.
- August 2, 2022: \$302,120 in Streets 2019 Bond Project Interest.
- October 4, 2022: \$393,337 in all 2019 Bond Projects.
- December 20, 2022: \$50,939 in Police 2019 Bond Project Interest.

Currently, across all bond projects, a total of \$1,728,298.20 has been received in interest revenue earnings, leaving \$463,031.20 in revenue to be recognized.

**DISCUSSION:**

This item is to recognize the interest paid to date on the Sales and Use Tax Capital Improvement and Refunding Bonds, Series 2019A/B so that the funds may be used on various bond project expenses.

**BUDGET/STAFF IMPACT:**

The requested budget adjustment will recognize \$436,032 in interest revenue.

**2019 Bonds (Series 2019) - Interest Received vs Budgeted**

FUND / GLACCOUNT	Interest Already Recognized	Actuals	Interest Not Recognized
*4602 Streets Project 2019 Bonds	352,924	543,045.47	(190,121.47)
*4603 Trails Project 2019 Bonds	21,026	23,487.87	(2,461.87)
*4604 Drainage Projects 2019 Bonds	80,895	130,635.21	(49,740.21)
*4605 Parks Project 2019 Bonds	88,548	92,128.02	(3,580.02)
*4606 Economic Development 2019 Bonds	37,082	88,174.97	(51,092.97)
*4607 City Facilities 2019 Bonds	4,262	4,808.09	(546.09)
*4608 Arts Corridor 2019 Bonds	199,218	280,812.67	(81,594.67)
*4609 Police Projects 2019 Bonds	413,043	447,002.14	(33,959.14)
*4610 Fire Projects 2019 Bonds	95,269	118,203.76	(22,934.76)
Grand Total	1,292,267	1,728,298.20	(436,031.20)

**ATTACHMENTS:** 2023-626 SRF - Bond 2019 Interest, 2023-626 BA - Bond 2019 Interest

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