



City of Saint Paul

City Hall and Court House
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Legislation Text

File #: RES 17-1897, **Version:** 1

Amending the City's 2017 Operating Budget to reflect an advance in the amount of \$1,081,581 from the internal borrowing fund to finance the Office of Technology and Communications Phone Replacement project.

WHEREAS, the 2016 Budget included funding for replacement of the City's phone infrastructure through capital lease financing; and

WHEREAS, the Phone Replacement project was not completed in 2016 and no capital lease was issued; and

WHEREAS, in order to complete the Phone Replacement project, the financing approved in the 2016 Budget will need to be completed in 2017; and

WHEREAS, the spending and financing budget needs to be amended to allow for the Phone Replacement project to be completed in accordance with the original budget plan for the project; and

WHEREAS, there are available funds in Fund 700, (the "City Internal Loan Fund"), to make an advance in 2017 to this project in lieu of capital lease financing; and

WHEREAS, the advance, until repaid, will bear interest at the monthly City treasury portfolio investment rate, ("Pool Rate"), which is variable and reset monthly by the City and will be paid as part of the project cost; and

WHEREAS, the advance will be secured and repaid by departmental service charges for phone hardware; and

WHEREAS, the Internal Loan has been documented in the Record of Internal Loan, which is attached in substantially final form, and will be repaid within five years of the initial City advance as shown in the illustrative example of the Exhibit; and

WHEREAS, the Mayor, pursuant to Section 10.07.1 of the Charter of the City of Saint Paul, does certify that there are available for appropriation, funds of \$1,081,581 in excess of those estimated in the 2017 Budget; now

THEREFORE BE IT RESOLVED, by the Saint Paul City Council, upon recommendation of the Mayor, that the 2017 Operating Budget, as heretofore adopted by the Council, is hereby further amended in the particulars as specified in the attached financial analysis; and

THEREFORE BE IT FURTHER RESOLVED, that the Council of the City of Saint Paul hereby approves the attached Record of Internal Loan, and authorizes the Director, Office of Financial Services and the Director, Office of Technology and Communications to execute the agreement.

See Attachments