



Agenda Item Report

Meeting Type: City Council

Meeting Date: April 23, 2025

Item Title: Consider and take action on advance of \$1,000,000 in 2025 Bond Proceeds to Columbus Utilities

Submitted By: Krystal Larson, Treasurer

Detailed Description of Subject Matter:

Columbus Utilities has requested an advance from the City of 2025 Utility Bond Proceeds to be repaid when the actual bond proceed are received sometime this coming summer. The request is due to a shortfall in operating cash to pay monthly bills and loan/bond payments. This shortfall is mainly due to unexpected sewer utility repairs and maintenance over the past few years and the accelerated spending in January and February by utility departments.

The City Administrator and City Treasurer have met with Utilities personnel over the course of the last month and worked out a plan to slow spending and are looking into a revision of the utility capital improvements plan and projected future borrowings.

It is in the best interest of utility to borrow short term operating cash from the City than to deplete its investment reserves (LGIP/savings accounts) when preparing for a bond sale.

Therefore, we recommend the council approve an advance to the utilities in the amount of \$1,000,000 from general fund savings of the City to be repaid when the utility's 2025 bond funds are received.

List all Supporting Documentation Attached:

n/a

Action Requested of Council:

Consider and take action on advance of \$1,000,000 in 2025 Bond Proceeds to Columbus Utilities