

**RESOLUTION FOR
CITY OF WATERTOWN - WATER SYSTEMS**

AUTHORIZING ACCEPTANCE OF EXCESS WATER UTILITY FUNDS

**SPONSOR: MAYOR STOCKS
FROM: FINANCE COMMITTEE**

WHEREAS, the City operates a municipal water utility, under Wis. Stat. §§ 66.0801 to 66.0813, and the Water Utility has accumulated unrestricted net position/fund balance in excess of what is reasonably required for operations, maintenance, depreciation, interest and debt service requirements, local and school tax equivalents, additions and improvements, and other necessary disbursements or indebtedness; and

WHEREAS, Wis. Stat. §§ 66.0811(2) and (3) authorize the City to place such excess funds into the general fund or a special fund for special municipal purposes; and

WHEREAS, the Common Council has determined that it is in the public's interest to establish a Special Private Lead Service Financial Assistance Project Fund ("PLSFAP Fund") to provide financial assistance to property owners for the replacement of private-side lead water service lines, and that such purpose constitutes a special municipal purpose under Wis. Stat. § 66.0811(3); and

WHEREAS, the City of Watertown Public Works Commission and Finance recommend the transfer of \$1,255,000 from the Water Utility Fund (retained earnings / fund balance) to the PLSFAP Fund to support private-side replacement projects; and

WHEREAS, Wis. Stat. §§ 65.90(5)(a) and 66.0607(7) require that all budget amendments and transfers of appropriations be approved by a two-thirds vote of the Common Council; and

WHEREAS, the City has prepared the associated budget amendment, attached as Exhibit A, and recommends that the Common Council formally accept the transferred funds and appropriate them for use in the PLSFAP Fund.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Watertown that:

- 1.) The City hereby accepts the transfer of \$1,255,000 from the Water Utility Fund to the Special Private Lead Service Financial Assistance Project Fund pursuant to Wis. Stat. §§ 66.0811(2) and (3).
- 2.) The Special Private Lead Service Financial Assistance Project Fund is hereby established to receive and administer funds solely for the purpose of providing grants, reimbursements, and program administration related to private-side lead service line replacement.
- 3.) The 2026 City Budget is hereby amended as shown in Exhibit A, which reflects:
 - o a decrease in Water Utility Fund balance in the amount of \$1,255,000, and
 - o a corresponding appropriation to the PLSFAP Fund for program expenditures.
- 4.) City staff is authorized and directed to make all necessary accounting entries and financial transfers to implement this Resolution.
- 5.) This Resolution shall take effect upon passage and publication as required by law.

	YES	NO
DAVIS		
LAMPE		
BERG		
BARTZ		
BLANKE		
SMITH		
ARNETT		
WETZEL		
MOLDENHAUER		
MAYOR STOCKS		
TOTAL		

ADOPTED April 6, 2026

CITY CLERK

APPROVED April 6, 2026

MAYOR

EXHIBIT A – Budget Amendment

<u>Account #</u>	<u>Name</u>	<u>Curr Bdgt</u>	<u>+/-</u>	<u>Modified</u>
Water Utility Fund				
03-99-30-40	Contribution to PLSFAP Fund [Move funds to City Fund]	-	1,255,000	1,255,000
Non-recurring Reserve Account				
24-48-12-44	PLSFAP [Accept Water Utility Funds]	-	(1,255,000)	(1,255,000)
24-58-11-44	PLSFAP Expense [Private-side Project Expenses]	-	1,255,000	1,255,000