

TOWN OF ALTA

RESOLUTION NO. 2023-R-24

A RESOLUTION TO REPAY WATER FUND DEBT TO THE GENERAL FUND

WHEREAS, the Town of Alta established the Water Fund as a separate enterprise fund to account for and be responsible for managing water related operations and expenses; and

WHEREAS, the Water Fund has incurred a debt of \$368,370 to the General Fund due to many years of not balancing due to and due from amounts; and

WHEREAS, the Town Council recognizes the importance of maintaining the financial stability and integrity of both the Water Fund and the General Fund to ensure the continued provision of essential services to residents; and

WHEREAS, the Town Council is committed to transparent and accountable financial practices, and deems it necessary to formalize the process of addressing and repaying inter-fund debts; and

WHEREAS, a review of the Water Fund's financial condition has been conducted, taking into consideration projected revenues, expenditures, and the feasibility of implementing measures to address the outstanding debt; and

WHEREAS, acknowledging the debt and outlining a plan compliant with Utah Code (UCA 10-5-120) for repayment is essential to maintaining the trust and confidence of residents and other stakeholders in the fiscal responsibility of the Town; and

WHEREAS, the Town Council has consulted with financial advisors, reviewed available options, and considered the long-term financial impact on both the Water Fund and the General Fund; and

WHEREAS, water users are the appropriate source of funds to repay debt, address operational costs, save for infrastructure replacement, and encourage the conservation of water.

NOW, THEREFORE, BE IT RESOLVED that the Town Council hereby approves a plan for the repayment of the Water Fund debt to the General Fund and authorizes the Town Clerk to implement and oversee the agreed-upon repayment schedule.

Section 1. Repay the \$368,370 in debt interest free, in full from the Water Fund to the General Fund over the course of 12 years (\$30,697.50 per year) starting with the FY2024 Budgets.

Section 2. Effective Date: This Resolution shall become effective on December 13, 2023.

ADOPTED BY THE TOWN COUNCIL THIS 13th DAY OF DECEMBER, 2023.

BY:

Mayor Roger Bourke

ATTEST:

Jen Clancy, Town Clerk

Roll Call Vote:

Mayor Roger Bourke _____

Councilmember Carolyn Anctil _____

Councilmember John Byrne _____

Councilmember Sheridan Davis _____

Councilmember Elise Morgan _____

DRAFT