

To: President and Members of the Munster Town Council
From: Wendy Mis, Clerk-Treasurer *Wmis*
Date: June 15, 2020
Re: Ordinance 1799, Additional Appropriations (1)

Earlier this evening you considered Ordinance 1798 to allow the transfer of surplus bond proceeds from the Municipal Bond Proceeds Fund 414 to the Municipal Bond and Interest Fund 306. Authority must be granted by the Department of Local Government Finance to allow the expenditure of these funds from the Bond and Interest Fund 306. The Park Board is going through a similar process to allow the transfer of surplus proceeds from the Park Bond Proceeds Fund 419 to the Park Bond and Interest Fund 312. This fund will also need an additional appropriation. These are both considered "controlled funds" by the Department of Local Government Finance (DLGF).

In light of the current economic situation and with the knowledge that additional appropriations would be needed for the debt service funds, we have reviewed all funds and two have been identified as in need and able to secure additional appropriations.

The Electric Fund 270 is used to pay NIPSCO bills for the Park Department and streetlights. The generator went through an overhaul last year and revenues are coming in higher than anticipated when the budget was created. Current expenditure projections for the Sewer Maintenance Fund 280 exceed the total budget adopted by the Council. These funds are both considered "reporting only" by the DLGF.

The procedure for securing additional appropriations requires a public hearing, scheduled for July 6, 2020, and the adoption of an ordinance by the Town Council. The additional appropriations documents that pertain to the "controlled funds" will be forwarded to the DLGF for approval. The DLGF is required to issue a determination within fifteen days of receiving the request for additional appropriations for funds subject to their approval.

The DLGF does not approve or deny the additional appropriations for the "reporting only" funds. Upon passage of the ordinance, the additional appropriations will be in effect for the Electric Fund 270 and the Sewer Maintenance Fund 280. The information will be forwarded to the DLGF for reporting purposes but no determination will be made.

Ordinance 1799 has been drafted to start the process. The amount of appropriations being sought can be found in the attachment to the ordinance.

RECOMMENDED ACTION:

By motion and roll call vote, hear proposed Ordinance 1799 for additional appropriations on first reading, and schedule second reading and a public hearing for July 6, 2020.