

FISCAL YEAR 2020 BUDGET AMENDMENT REQUEST
SAME YEAR BUDGET REALLOCATION

Submitted by: Steven Drazner
 Title: CFO

Current Yr Budget		Current Yr Budget	MOVING FROM			MOVING TO		
From		To	Current Yr	Requested	Current Yr	Current Yr	Requested	Recommended
<u>GL #</u>		<u>GL #</u>	<u>Budget**</u>	<u>Amount</u>	<u>Amended</u>	<u>Budget**</u>	<u>Amount</u>	<u>Amended</u>
5060.43770.783.570707		3029.41300.884.540690	283,556.00	116,889.00	166,667.00	1,394,490.00	116,889.00	1,511,379.00
5060.43770.784.570707		3029.41300.884.540690	283,556.00	116,889.00	166,667.00	1,511,379.00	116,889.00	1,628,268.00
5060.43770.788.570707		3029.41300.884.540690	283,556.00	116,889.00	166,667.00	1,628,268.00	116,889.00	1,745,157.00
Account Descriptions	→	Parking Fund Capital	Equipment Replacement					
Budget Page #	→							

** Includes any prior approved amendments

Explanation Below

Series 2020A debt in the amount of approximately \$11M will be issued for the Lake Street and fiber infrastructure projects. Of this amount, it was previously communicated that \$850,000 of the bond issue would be allocated to the Parking Fund to pay for its share of the budgeted fiber project. However, in order to remain compliant with the IRS to maintain full tax exempt status on the \$11M bonds, the allocation of the bonds for use toward the fiber optic project in the Parking Fund must be reduced to under \$550,000. This is pursuant to the IRS 5% de minimus tax exempt rule (up to 5% of the bonds can be used for profit/enterprise purposes). Therefore, this recommended budget amendment is reclassing the parking allocation of the fiber project from \$850,666 down to \$500,000 to keep it well below the allowed de minimus threshold.