



MEMORANDUM
COUNTY EXECUTIVE OFFICE
County of Placer

TO: Honorable Board of Supervisors **DATE:** August 9, 2022
FROM: Jane Christenson, Acting County Executive Officer
BY: Daniel Chatigny, Deputy County Executive Officer
SUBJECT: Budget Amendment for FY 2022-23 General Fund Debt Service

ACTION REQUESTED

Approve a FY 2022-23 budget amendment # AM-00692 for CC10024 - Contribution to Other Debt Service and CC10025 - Other Debt Service in the amount of \$1,127,338.00 and cancel General Fund general reserves in the amount of \$1,127,338.00.

BACKGROUND

On May 11, 2021, your Board approved and awarded the Contract for the Design and Construction of the Placer County Health and Human Services Center. On April 19, 2022, your Board heard a presentation, held a public hearing and adopted a resolution making findings and approving documents and actions relating to the financing of the acquisition and construction of the Placer County Health and Human Services Center, Project No. PJ00113, including the issuance of bonds, the sale of the bonds to Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), and approving the appointment of bond counsel, municipal advisor, and trustee.

The final bond documents require that the adopted budget appropriates funding for the lease payments:

"Promptly following the adoption of a budget which includes the appropriations required by this Section, but in any event not later than July 15 of each Fiscal Year, the County will provide to the Trustee a Written Certificate, signed by an Authorized Representative, in which it will certify that it has complied with this Section 4.4 for such Fiscal Year."

Due to the timing of budget adoption and closing of the bond transaction, the actual lease payments were not known. Although there are sufficient total budget appropriations in the FY 2022-23 budget, this amendment will appropriate additional funds to cover the lease payments for FY 2022-23 into the debt service cost center.

FISCAL IMPACT

The total increase in the debt service amount is \$1,127,338.00. A budget amendment to increase appropriations by \$1,127,338.00 in the FY 2022-23 budget for CC10024 – Contribution to Other Debt Service, with a corresponding cancellation of General Fund general reserves, is included for consideration and approval. The contribution from CC10024 – Contribution to Other Debt Service will be made to CC10025 – Other Debt Service, out of which the principal and

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interest payments will be made. Therefore, the budget amendment also increases the expenditure authority in CC10025 – Other Debt Service by \$1,127,338.00, offset by the contribution. This produces a \$1,127,338.00 impact to the General Fund.

ATTACHMENTS

None.