



Legislation Details (With Text)

File #: ID#17-3598 **Version:** 1 **Name:** Dividend to the City General Fund FY 16/17.
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File created: 5/30/2017 **In control:** Gas System
On agenda: 6/12/2017 **Final action:** 6/12/2017
Title: Report on the Clearwater Gas System (CGS) Fiscal Year 16/17 Dividend to the City General Fund. (WSO)

Sponsors:

Indexes:

Code sections:

Attachments: 1. 06-12-2017 CGS Warrington Annual Dividend Presentation.pdf

Date	Ver.	Action By	Action	Result
6/12/2017	1	Council Work Session		

SUBJECT/RECOMMENDATION:

Report on the Clearwater Gas System (CGS) Fiscal Year 16/17 Dividend to the City General Fund. (WSO)

SUMMARY:

By City Council policy, CGS pays an Annual Dividend equal to 50% of the prior year's net income (less bond interest earnings), but no less than \$1,700,000 to the City's General Fund. After the city books close for the year, the Gas System calculates the Annual Adjusted Dividend payment to return ½ of its annual Net Income less debt service interest as a Dividend to the City in the following year. CGS' financial performance for Fiscal Year 15/16 exceeded our plan; therefore, CGS will actually pay a Fiscal Year 16/17 Dividend of \$3,570,795, an increase of \$1,170,795 above the \$2,400,000 budgeted for Fiscal Year 16/17. This is \$1,870,795 above the minimum annual dividend payment to the City.

APPROPRIATION CODE AND AMOUNT: N/A

USE OF RESERVE FUNDS: N/A