



City of Clearwater

Main Library - Council
Chambers
100 N. Osceola Avenue
Clearwater, FL 33755

Legislation Text

File #: ID#17-3598, **Version:** 1

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 $\frac{1}{2}$ 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