

Heber Public Utility District

MEETING DATE: September 18, 2014

FROM: Laura Fischer, General Manager
Prepared by: Graciela Lopez, Finance Manager

SUBJECT: Adopt Resolution Number 2014-09 authorizing the closure of the Heber Public Utility District 1968 and 1972 Bonds and request remaining balance from the County of Imperial.

ISSUE:

Shall the Heber Public Utility Board of Directors adopt Resolution Number 2014-09 authorizing the closure of the Heber Public Utility District 1968 and 1972 Bonds and request remaining balance from the County of Imperial?

GENERAL MANAGER RECOMMENDATION:

Adopt Resolution Number 2014-09 authorizing the closure of the Heber Public Utility District 1968 and 1972 Bonds and request remaining balance from the County of Imperial.

FISCAL IMPACT:

Positive fund balance increase: \$3,997.70 from both bonds. The water fund will receive \$934.25 and the sewer fund will receive \$3,063.45.

Reduce annual expenditures in the Amount of \$194.20 to the County of Imperial.

DISCUSSION

The Bonds were issued with a 40 year term each and were already paid off in 2008 and 2012 respectively. The accounts remained open to accept any past due and delinquent payments. These are all collected so there is no longer a need to keep the accounts open and active. Additionally, the County of Imperial charges an administrative fee annually to manage the accounts.

Adopting this Resolution will close the HPUD bonds and we will receive the monies in these accounts balances, which is \$3,063.45 and \$934.25 respectively. We will also reduce our annual expenditures associated with administering these bonds, in the amount of \$97.10 for each account.

CONCLUSION

An approval of Resolution 2014-09 gives direction to the Auditor-Controller of the County of Imperial to close the accounts, and to refund Heber Public Utility District the cash balance on such accounts.

Respectfully Submitted,

Laura Fischer, General Manager

Attachment: Resolution 2014-09

RESOLUTION 2014-09

A RESOLUTION OF THE HEBER PUBLIC UTILITY DISTRICT AUTHORIZING THE CLOSURE OF THE 1968 AND 1972 BOND ACCOUNTS WITH THE COUNTY OF IMPERIAL.

WHEREAS, The Board of Directors of the Heber Public Utility District desires to close out the 1968 and 1972 bond accounts being managed by the County of Imperial.

WHEREAS, the 1968 and the 1972 accounts were open to collect property taxes to pay the bonds issued for Heber Public Utility District infrastructure.

WHEREAS, the bonds had a 40 year term which expired the years of 2008 and 2012 respectively.

WHEREAS, the bonds accounts continued to remain open to collect monies coming in from delinquent accounts.

WHEREAS, after both the 1968 and 1972 bonds were paid-off, there remains a positive balance as of June 30, 2014 in each account as follows:

Account 7056000 Heber PUD 1968 Sewer BONDS \$3,063.45
Account 7057000 Heber PUD 1972 Water BONDS \$ 934.25

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Heber Public Utility District as follows:

1. Heber Public Utility District hereby directs the General Manager or her designee to close the Heber Public Utility District 1968 and 1972 bond accounts with Imperial County.
2. The Auditor-Controller of the County of Imperial is hereby directed to close the 1968 and 1972 Heber Public Utility District Bonds accounts, and the cash balance to be refunded to Heber Public Utility District. Any expenses to be paid to the Auditor-Controller for carrying out the forgoing responsibilities shall be in accordance with the Bonds contracts or as otherwise provided by law.
3. This resolution shall take effect immediately upon its passage and adoption.

PASSED, APPROVED AND ADOPTED this 18th day of September 2014, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Margarita K. Lizarraga
President of the Board

ATTEST:

Rafaela M. Sanchez
Secretary of the Board of Directors