

TITLE	DATE	ORIGINATING DEPT./DIV.
AN ORDINANCE ADOPTING THE 2017 DEBT SERVICE FUND BUDGET, APPROPRIATING THE FUNDS AUTHORIZED THEREIN, AND OTHERWISE PROVIDING WITH RESPECT THERETO	October 1, 2016	EXECUTIVE OFFICE SPONSOR OR COUNCIL MEMBER CAO

PURPOSE

To adopt the 2017 Debt Service Fund Budget, in accordance with State law and City Charter.

This Ordinance or Resolution will have direct impact on Council District: **All**

BACKGROUND INFORMATION

The proposed 2017 Debt Service Fund budget is \$88,892,204, a decrease of 7% compared to 2016. The city will pay \$39.2 million for principal and interest on its debt. Of this amount, approximately \$34.9 million will be paid toward debt service on General Obligation Bonds. Approximately \$4.3 million will be paid on all other debt, primarily payments on various notes issued to purchase vehicles and heavy equipment. A reserve of \$56.5 million is retained, which is 1.7 times one year's debt service and 2.0 times one year's General Obligation Bond debt service. For 2017, the city will levy 18.16 mills property tax to service its General Obligation debt. This is based on reassessment completed in 2016.

TIMETABLE

Introduction: **October 11, 2016**

Final Passage: **By December 15, 2016**

SPECIAL PROCEDURAL REQUIREMENTS

A public hearing must be held on this budget for adoption by Council.

FINANCES**SOURCE OF FUNDS****CONCLUSION**

Approval of this ordinance is recommended.

FACT SHEET PREPARED BY: Sherricka Fields, Assistant CAO

ORDINANCE NO. ___ OF 2016

AN ORDINANCE ADOPTING THE 2017 DEBT SERVICE FUND BUDGET, APPROPRIATING THE FUNDS AUTHORIZED THEREIN, AND OTHERWISE PROVIDING WITH RESPECT THERETO

BY: WHEREAS, Article 7 of the Charter of the City of Shreveport requires the adoption of a comprehensive operating budget for the year 2017; and

WHEREAS, the City of Shreveport has created a Debt Service Fund to provide for the payment of principal and interest on the General Obligation Bonds of the City for the year 2017; and

WHEREAS, the City Council has the authority to levy a special property tax whose proceeds are allocated to the Debt Service Fund.

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Shreveport, in legal session convened, that:

1. Estimated Receipts - The estimated receipts of the Debt Service Fund for the year 2017 are hereby established as follows:

Estimated Fund Balance as of 1/1/2017	\$55,292,204
Ad Valorem Taxes	30,000,000
Hotel-Motel Tax Revenues	1,500,000
Interest Income	200,000
General Fund	2,200,000
TOTAL	\$88,892,204

2. Appropriations - The funds set forth in the following classes of expenditures are hereby appropriated out of the Debt Service Fund's receipts for the year 2017:

2017 Requirements - Principal and Interest	\$32,400,000
NET EXPENDITURES	\$30,200,000
Fund Balance 12/31/2017	\$56,492,204
TOTAL	\$88,892,204

3. The Debt Service Fund budget presented to the City Council by the Mayor by October 1, 2016, as amended by subsequent action by this Council, be and the same is hereby adopted.
4. Administration - The Mayor is hereby authorized to execute all contracts, deeds, grant documents and other legal instruments necessary to expend or receive funds herein authorized.

BE IT FURTHER ORDAINED that if any provision or item of this ordinance or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of this ordinance which

can be given effect without the invalid provisions, items or applications; and to this end, the provisions of this ordinance are hereby declared severable.

BE IT FURTHER ORDAINED that all ordinances or parts thereof in conflict herewith are hereby repealed.

BE IT FURTHER ORDAINED that this ordinance will be effective on January 1, 2017.

APPROVED AS TO LEGAL FORM:

City Attorney's Office