



UNIVERSITY PARK CITY COUNCIL AGENDA MEMO

Meeting Date:
10/7/2025

Item Type:
Consent Agenda

Subject: CONSIDER AND ACT: Transfer of \$2,500,000 from Water and Sewer to Stormwater Fund

Prepared By: Thomas W. Tvardzik, Finance Director

Background:

From 2002 to 2014, the City's stormwater activities—primarily street sweeping and pond dredging—were accounted for within the Water and Sewer Fund. During that period, the operation collected more than \$4.5 million in revenues but incurred only about \$480,000 in expenditures. In 2014, City Council created a separate Stormwater Fund with an initial \$450,000 transfer from the Water and Sewer Fund. The Stormwater Fund continued to provide these services while steadily building a positive fund balance.

In 2021, City Council authorized a major stormwater project and issued Certificates of Obligation to finance it. To support the debt service, Council implemented a series of stormwater fee increases which, combined with planned use of accumulated fund balance, were designed to fully cover debt payments from current revenues within five years.

Continuing the efforts to control stormwater, Public Works initiated a \$4 million planning project to develop subsequent phases of the citywide Stormwater Master Plan. No transfer was made to the Stormwater Capital Projects Fund at that time, and the planning costs have since depleted the reserves of the Stormwater Capital Projects Fund. The Stormwater Fund and the Stormwater Capital projects Fund are reported together for financial statement purposes.

To restore the financial stability of the Stormwater Capital Projects Fund and offset incurred and future planning costs, staff recommends a \$2.5 million transfer from the Water and Sewer Fund before fiscal year-end. This transfer will stabilize reserves, ensure continued operations, and help preserve the City's strong credit rating.

Fiscal Impact:

- ☐ Not Applicable
- ☒ Budget Amendment Required
- ☐ Proposed Revenue
- ☐ Proposed Expenditure

Funding Source:

Master Plan Goal:

Please check the associated Theme and provide the corresponding action item number.



	Theme	Action Item(s)
☐	Affirming Sense of Place	
☐	Assuring Connectivity	
☐	Innovative Governance	
☐	Technological Integration	
☒	Preparing for the Future	
☐	Not Applicable	

Recommendation:

Staff recommends approving the attached ordinance amending the FY2025 budget and authorizing the requested transfer.

Committee Review (optional): N/A

Attachments:

- Ordinance amending the fiscal 2025 budget