



Sheela Amin <sheela.amin@como.gov>

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## Fwd: FAAC Recommendation on Utility Rate Increase

1 message

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Sheela Amin <sheela.amin@como.gov>

Fri, Sep 8, 2017 at 9:05 AM

To: City Council <city\_council@como.gov>

Cc: "Matthes, Michael" <Michael.Matthes@como.gov>, Michele Nix <michele.nix@como.gov>

Hi all,

I have been asked to forward this to you all. It will also be included with the budget bill as part of the agenda packet.

Thank you.

Sheela Amin  
City Clerk

City Hall  
701 E. Broadway  
2nd Floor  
Columbia, MO 65201

[573.874.7207](tel:573.874.7207)  
[sheela.amin@como.gov](mailto:sheela.amin@como.gov)

----- Forwarded message -----

From: **Maria Oropallo** <[maria.oropallo@gmail.com](mailto:maria.oropallo@gmail.com)>

Date: Thu, Sep 7, 2017 at 5:32 PM

Subject: FAAC Recommendation on Utility Rate Increase

To: Michele Nix <[michele.nix@como.gov](mailto:michele.nix@como.gov)>, Jessica Sapp <[jessica.sapp@como.gov](mailto:jessica.sapp@como.gov)>

At its September 7, 2017 meeting, the Finance and Audit Committee (FAAC) reviewed and discussed the proposed Utility Rate increase for the FY 2018 City Budget. The committee makes no recommendation on the current rate increase request.

However, in reviewing the budget, and specifically the Utilities budget, FAAC noted that there is and remains to be a substantial gap in the Utility budget between the Target Cash position and Projected Cash position in the current and upcoming years

It is the contention of FAAC that City Council should address this large, and continuing gap. We recommend that the City staff create multiple options to close the gap across the Utilities, specifically Water and Sewer, Electric, and Storm Water. Further, our recommendation strongly advises that the options be developed and reviewed by outside sources, as well as internally, through the Water and Light Advisory Board, and FAAC as needed.

The members of FAAC firmly underscore that any option to close the gap conserves the City's excellent credit rating.

Respectfully submitted,  
FAAC  
Kris Bloom  
John Clark  
Lisa Evans  
Diane Suhler  
Maria Oropallo, Chair

