



CITY COUNCIL MEETING

AGENDA ITEM

Prepared By: <i>Allie Polsfuss, City Administrator</i>	Meeting Date: <i>10/6/2025</i>	Item Name: <i>Approve 2025 Budget Amendment</i>
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BACKGROUND

The Finance Committee met on September 17, 2025, to discuss a potential budget amendment to ensure sufficient capital reserves are maintained.

OVERVIEW

In the 2025 budget, the Streets Improvement – Public Works line item of \$300,000 was funded with \$150,000 in levy dollars and a \$150,000 transfer from the Capital Fund. Since that time, expenditures for the City Hall project have reduced available capital reserves. Because no street projects will be completed in 2025, a budget amendment should be considered to preserve adequate reserves

Key Considerations

- Project Funding: The City Hall project is being fully funded from existing Capital Fund reserves.
- Capital Reserve Balance: Upon project completion, reserves are projected to be \$400,000–\$500,000.
- Impact of Transfer: Transferring the budgeted \$150,000 from Capital to Streets would reduce reserves to \$250,000–\$350,000.
- Reserve Target: The City’s goal is to maintain a minimum Capital Fund reserve balance of 15% (\$550,000). An ideal target would be 30%.

City auditors advise a budget amendment is formally adopted if the Council wishes the budgeted \$150,000 to remain in the capital fund instead of being transferred to streets. If approved, the \$150,000 in budgeted 2025 levy dollars would remain available for 2026 street improvement projects (as proposed later on the agenda)

STAFF RECOMMENDATION

Finance committee recommends approving the budget amendment as presented.

SUPPORTING DOCUMENTS

Attachment A- Res. No. 22-2025

RESOLUTION NO. 22-2025

RESOLUTION APPROVING 2025 BUDGET AMENDMENT

WHEREAS, the City of Breezy Point adopts a budget by resolution which sets forth the expenditures for each fund; and,

WHEREAS, the City Council approved the 2025 budget on December 2, 2024, and the adopted budget allocated \$300,000 to Public Works-Streets for 2025 road projects; and,

WHEREAS, due budgetary priorities and maintaining appropriate capital reserves, it has been determined that the Public Works-Street budget shall be reduced to \$150,000 for the 2025 fiscal year; and,

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF BREEZY POINT, that the 2025 Budget is hereby amended as stated.

BE IT FINALLY RESOLVED that the Finance Specialist is authorized to make the necessary accounting and financial adjustments to reflect this amendment in the City's official records.

Adopted this 6th day of October, 2025 by the City Council.

Rebecca Ball: _____

Brad Scott: _____

Steve Jensen: _____

Todd Roggenkamp: _____

Michael Moroni: _____

Mayor, Todd A. Roggenkamp

Attest:

City Administrator, Allie Polsfuss