



CITY COUNCIL AGENDA ITEM COVER SHEET

FROM: Jenna Amsbury

DATE: August 2024

**AGENDA ITEM
TITLE:** Resolution to Amend Financial Policies allow Interest to be deposited into the
Current Expense Fund

SUMMARY

Currently interest is prorated monthly from investments (mainly LGIP) throughout all funds across the City budget depending on the cash balance in each fund for the month. This Resolution is one of the few other mechanisms the City has to increase revenue for the Current Expense Fund and the Streets Fund. Both of these funds are in need of additional revenue to continue to provide necessary services to the City. When the interest is split among all city funds, it does not make a large impact to any one fund, this would allow the interest to be utilized to a greater extent. The Street Fund received very little state and local revenue, most comes from a transfer from the Current Expense Fund. The City just added \$800,000 to the LGIP Investments so the new total monthly interest revenue will increase from \$8,500 to approximately \$12,000. It is my recommendation that they City consider this opportunity to better fund the Street Fund and Current Expense Fund to assist with public safety functions of police and fire department and maintenance to streets and sidewalks.

RECOMMENDATION/ACTION REQUESTED

Approve the Resolution to authorize interest income be authorized for Current Expense Fund Revenue.