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MEMORANDUM

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: JOSHUA TETZLAFF, CITY ADMINISTRATOR
ROBIN PIKAL, FINANCE DIRECTOR
SUBJECT: RELEASE COMMITTED FUNDS AND ASSIGN TO FACILITY PROJECTS
DATE: JUNE 9TH, 2026

As previously shared with Council at the May 4th and May 18th, 2026 Council Meetings, staff is requesting Council approval to release \$500,000 previously committed funds for “Future Recreational Athletic Facilities” and reassign those funds to the Facility Project Fund for use in the acquisition, construction and development of the new City Hall located at 1201 1st St NE.

Under governmental accounting standards, funds that have been formally committed by Council action may only be removed or redirected through the same level of formal action that established the commitment. A resolution is therefore required to release the existing commitment and authorize the reassignment of those funds to a new purpose.

While staff was unable to locate formal council action, approving this resolution will ensure the City remains compliant with its fund balance policy and generally accepted accounting principles (GAAP) while providing a clear and transparent record of Council's intent to utilize these resources for the new City Hall project.

The reassignment of these funds will allow the City to dedicate existing financial resources toward the facility project and accurately reflect the intended use of those funds in the City's financial records.

Recommendation

Staff recommends approval of the Resolution #CC-26-06-15-07, releasing the committed funds and assigning them to the Facility Project Fund for use towards the new City Hall at 1201 1st St NE.