



Memorandum

To: Mayor Nelson and Members of the City Council

From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer

Date: June 30, 2020

Subject: 2019 Year End Fund Transfers

City staff is recommending the City Council adopt Resolution 20-24, which will authorize fund transfers and closures effective December 31, 2019.

The General Fund experienced a surplus in 2019 due to a combination of revenues coming in higher than projected and expenditures coming in lower than projected. Staff is proposing to utilize these funds to add funds to Fund 700, Severance (in anticipation of future retirements) and Fund 407, Sealcoating, address a deficit in Fund 115, Comprehensive Plan Update, and add money to Fund 425, Storm Sewer Rehab, for future storm water projects. The fund balance in the General Fund, as of December 31, 2019, after transfers, is \$2,030,669 or 44.9% of General Fund expenses. This falls within the City's fund balance policy of maintaining between 35% and 50% of budgeted expenditures in reserves.

If you have any questions regarding the proposed 2019 Year End Fund Transfers, please don't hesitate to contact me at 763-784-6491.