



Memorandum

To: Mayor Nelson and Members of the City Council

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

Date: December 28, 2022

Subject: Resolution Establishing Equipment Capital Project Fund

The City Council, in adopting the 2023-2027 Capital Improvement Plan, decided to finance capital improvements through a pay-as-you-go arrangement rather than through the issuance of an Equipment Certificate.

Resolution 2023-02 closes the debt service fund and the capital project fund associated with the paid off 2018A G.O. Equipment Certificate and transfers remaining dollars to a new Equipment Fund. The resolution also calls for a transfer of \$150,000 from the Revolving Construction fund to the Equipment Fund to serve as seed capital for the fund.

With these transfers, we anticipate seeding the new Equipment Fund with approximately \$300,000 to finance the 2023-2027 capital project funds. In addition, the 2023 property tax levy will add \$176,500 to the equipment fund.

Staff recommends approval of the resolution.

If you have any questions, please do not hesitate to contact me at 763-784-6491.