



# MAYOR & COUNCIL COMMUNICATION

**DATE:** March 18, 2014  
**REGULAR**  
**ITEM #10**  
**MOTION**

**AGENDA ITEM:** Approval of 2013 Internal Loan Repayment Installment

**SUBMITTED BY:** Cathy Bendel, Finance Director

**THROUGH:** Cathy Bendel, Finance Director

**REVIEWED BY:** Dean Zuleger, City Administrator

**SUGGESTED ORDER OF BUSINESS:**

- Introduction of Item ..... City Administrator
- Report/Presentation.....City Administrator
- Questions from Council to Staff..... Mayor Facilitates
- Call for Motion ..... Mayor & City Council
- Discussion..... Mayor & City Council
- Action on Motion..... Mayor Facilitates

**POLICY RECOMMENDER:** Finance

**FISCAL IMPACT:** \$200,000.

**SUMMARY AND ACTION REQUESTED:**

As of December 31, 2012, there was an outstanding balance due from the Village Fund to the General Fund of \$1,005,398. As part of the initiative begun in 2012 to resolve this outstanding debt, the City budgeted for annual repayments on this loan until it is resolved.

The City Council is respectfully requested to consider approving Resolution #2014-17 approving an internal loan repayment from the Village Fund to the General Fund in the amount of \$200,000. The recommended motion for this action is as follows:

**“Move to approve Resolution No. 2014-17 approving an internal loan fund repayment, from the Village Fund to the General Fund in the amount of \$200,000 effective December 31, 2013”**

**LEGISLATIVE HISTORY:** NA

**BACKGROUND INFORMATION (SWOT):**

**Strengths**            This paper only loan repayment will strengthen the undesignated fund balance in the general fund as of December 31, 2013 while reducing official debt.

**Weaknesses**        None

**Opportunities**      The City will be in a better cash position as of December 31, 2013 which is a critical metrix for the annual borrowing cycle.

**Threats**            There is an extremely remote chance that the Final 2013 audited results may not be as strong as projected.

**RECOMMENDATION:** Based on the aforementioned, the staff recommends the City Council approve an internal loan repayment in the amount of \$200,000 effective December 31, 2013.

**“Move to approve Resolution No. 2014-17 approving an internal loan fund repayment, from the Village Fund to the General Fund in the amount of \$200,000 effective December 31, 2013”**

**ATTACHMENTS:**

1. Resolution 2014-17