



MAYOR & COUNCIL COMMUNICATION

DATE: 06/17/2014

REGULAR \$\$

ITEM # 23

AGENDA ITEM: Approval for Fund Transfers and Fund Closures for 2013

SUBMITTED BY: Cathy Bendel, Finance Director

THROUGH: Cathy Bendel, Finance Director

REVIEWED BY: Dean Zuleger, City Administrator
Jason Miller, Smith Schafer & Associates

SUGGESTED ORDER OF BUSINESS:

- Questions from Council to Staff..... Mayor Facilitates
- Report/Presentations.....City Staff, Smith Schafer
- Questions from Council to Staff.....Mayor Facilitates
- Public Input, if Appropriate.....Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion..... Mayor & City Council
- Action on Motion..... Mayor Facilitates

POLICY RECOMMENDER: Finance/Auditors

FISCAL IMPACT: (\$400,000 to the General Fund)

To finalize the December 31, 2013 general ledger and close it down for the year some final transactions/transfers are necessary and were incorporated into the final audit report presented.

SUMMARY AND ACTION REQUESTED:

As of December 31, 2013, four funds were identified as no longer being necessary. As a result, the balances need to be transferred so that the account can be closed in the general ledger. The specific reason is listed below. There is no financial impact from these transactions and no impact to the General Fund.

In addition, to account for the internal loan repayments properly, a fund transfer is needed for 2012 and 2013. In 2012, the loan repayment was authorized but the transfer was not made to fund the repayment. The motion for this action is as follows:

“Move to approve Resolution No. 2014-50 to close out inactive funds and process a fund transfer of \$400,000 needed to make the annual internal loan repayments for 2012 and 2013”

STAFF REPORT:

The following transfers need to be made to be able to close unnecessary funds as of December 31, 2013:

- Project fund 418 (2011 street fund) needs to be closed into fund 319 (2011 street fund debt svc)
- Project fund 419 (2012 street fund) needs to be closed into fund 321 (2012 street fund debt svc)
- Debt svc fund 313 (2004 bond debt svc) needs to be closed into fund 318 (2011A refinanced bond debt svc)
- Project fund 420 (South of 10th) needs to be closed into fund 409 (general infrastructure project account) as there is no need to segregate.

In addition, the following fund transfer needs to be made from the General Fund (101) to the Village (413) fund to make the funds available to make the annual loan repayments approved and budgeted. On March 18th the City Council approved Resolution 2014-17 authorizing the loan repayment installment of \$200,000 from the Village Fund to the General Fund for 2013.

RECOMMENDATION:

It is recommended that the City Council approve Resolution No. 2014-50 authorizing the balance transfers between funds to allow closure of the mentioned funds as well as the separate fund transfer to be able to fund the 2012 and 2013 loan repayments as budgeted.

“Move to approve Resolution No. 2014-50 to close out inactive funds and process a fund transfer of \$400,000 needed to make the annual internal loan repayments for 2012 and 2013.”

ATTACHMENTS:

1. Resolution No. 2014-50