



MEMORANDUM

DATE: July 26, 2021
TO: Honorable Mayor and City Councilmembers
Dave Perrault, City Administrator
FROM: Gayle Bauman, Finance Director
SUBJECT: Transfer fund balance from General Fund to PIR Capital Fund

Budgeted Amount:	Actual Amount:	Funding Source:
N/A	N/A	N/A

Council Should Consider

Motion to approve, table or deny the following:

- Transfer \$548,000 from the General Fund to the Capital Improvement (PIR) Fund and authorizing the Finance Director to complete all corresponding budget adjustments.

All items need a simple majority for action unless otherwise noted.

Background

In 2014, the Council adopted a revised Fund Balance Policy which directs the Finance Director to bring a request to the City Council to transfer any excess funds over 50% of fund balance in the General Fund to the PIR Fund once the final audit is completed. The intent of the policy is to utilize the funds for one-time, non-operating items. The primary considerations of the policy are 1) to meet the cash flow requirements of the City; 2) to maintain adequate fund balances and net assets in each individual fund of the City; and 3) to provide for emergencies and contingency needs of the City. These goals are accomplished by transferring the funds to any capital fund in need.

Discussion

The amount available for transfer based on the 2020 audit is \$548,000. Staff is proposing to transfer this amount to the PIR Fund per the discussion with the Council at the July 19, 2021 Work Session.

Budget Impact

Increase in transfers out of the General Fund and transfers in to the PIR Fund.

Attachments

None