



Legislation Text

File #: RES 21-224, **Version:** 1

Consideration of and action on a resolution to transfer \$1,500,000.00 from the Fiscal Year 2020-2021 Unassigned Fund Balance of the General Fund to the Capital Equipment Replacement Fund.

Summary: The Capital Equipment Replacement Fund is a new fund created for the purpose of funding the future replacement of rolling stock, including vehicles and equipment. The City believes it is prudent to set aside monies for future capital equipment replacement needs and recommends the transfer of \$1,500,000.00 of Fiscal Year 2020-2021 unassigned fund balance of the General Fund to the Capital Equipment Replacement Fund, which is available for this purpose.

In accordance with the Financial Management Policy, the City shall maintain a General Fund unreserved fund balance equivalent to a minimum of 25% of normal recurring operating costs, based on the current years budgeted operating expenditures. The current unreserved fund balance of the General Fund exceeds this 25% reserve requirement.

Fiscal/Budgetary Impact:

The Fiscal Year 2020-2021 unassigned fund balance of the General Fund will be reduced by the \$1,500,000.00 amount of this transfer to the Capital Equipment Replacement Fund.

Approve the resolution to transfer \$1,500,000.00 of Fiscal Year 2020-2021 unassigned fund balance of the General Fund to the Capital Equipment Replacement Fund.