



TO: Mayor Shaun Sipma
Members of the City Council

FROM: David Lakefield, Finance Director

DATE: March 15, 2021

SUBJECT: CLOSE FUND BALANCE IN RECREATION/AUDITORIUM FUND, INCREASE CAPITAL INFRASTRUCTURE, EMERGENCY FUND TRANSFER OUT EXPENDITURE BUDGET, WATER TREATMENT PLANT PENSION EXPENSE, AND FIRE TRENCH EQUIPMENT

I. RECOMMENDED ACTION

1. Authorize the Mayor to sign the budget amendment and approve the transfer of funds.

II. DEPARTMENT CONTACT PERSONS

David Lakefield, Finance Director

701-857-4784

III. DESCRIPTION

A. Background

The Recreation/Auditorium fund was transferred to Minot Park District in 2019, and the fund was closed in 2020. \$925,949 was originally budgeted as a transfer out of the Recreation/Auditorium Fund to General Fund for the City Hall Retaining Wall project. Council decided to postpone this project so the transfer was left unused. This budgeted amount can be used as part of the transfer out to close the fund. The proposed budget amendment will make up the remainder of the amount needed to close the fund. Two additional transfers are needed to move budgeted funds out of Capital Infrastructure for 31st Ave SE Reconstruction for the applicable water, sewer, and storm sewer work completed and for moving excess flood 2015 funds from the Emergency Fund into water, sewer, storm sewer for the purchase of pump replacement parts. A pension and benefit adjustment was provided by the actuary for 2020 putting Water Treatment Plant over budget. The budget amendment needed was reduced by other line items under budget in the department and the excess is requested to use water sewer cash reserves. All other departments were able to absorb the costs with savings from other budget line items. The final transfer is to move expenses that were coded to general fund to capital equipment fund for structural design fees for the Fire department's trench rescue training equipment that are considered part of the capital cost.

Proposed Project

N/A

Consultant Selection

N/A

IV. IMPACT:

A. Strategic Impact:
N/A

B. Service/Delivery Impact:
N/A

C. Fiscal Impact:

Closing Fund 215

Total Fund Balance Year End 2020	\$1,469,613.07
Transfer out budgeted in 2020	<u>(925,949.00)</u>
Additional Left to Transfer Out	543,664.07

Pension for Fund 140

Pension Line Over Budget	\$336,323.69
Use of other Line Items Under Budget	<u>(220,142.31)</u>
Cash Reserves Needed	\$116,181.38

V. ALTERNATIVES
N/A

VI. TIME CONSTRAINTS
N/A

VII. LIST OF ATTACHMENTS

A. Budget Amendment