

TO: MAYOR AND CITY COUNCIL

FROM: NEIL JENSEN, City Administrator

SUBJECT: Resolution 2630, Authorizing Budget Transfers for year-end Cannon Falls City Audit and 2022 Budget Transfers

MEETING DATE: May 17, 2022

BACKGROUND

The auditors have found several funds that should be closed or cleaned up due to no activity. Also, there are few budget transfers that are needed to clean up projects. They are as follows;

1. 2021 3rd Street Bridge transfer from fund 100 to fund 405 for \$20,000. The \$20, 000 was the city's participation for the project and needs to be placed in the project fund 405 to balance.
2. 2021 Motor Vehicle transfer from fund 655 to fund 100 for \$38,208.43. This will close out this fund and the money put back where it came from. There was a levy of general fund dollars to keep the Motor Vehicle in the black over the years.
3. Close out fund 404 - 2015 Street Improvement Westside Phase 2. This project is finished and is now fund 530.
4. Close out fund 408 - 2018 Street Improvement Project Eastside 2. This project is finished and is now fund 531.
5. Close out fund 527 Street Improvement Eastside. This fund was redundant and is now under fund 533.
6. Close out fund 655 Motor Vehicle. This fund is no longer needed. If the DMV comes back to Cannon Falls it will be a private business and no longer under the city's funds.
7. 2022 Transfer from 601 and 602 for \$25,000 each to fund 100-415100-1010. This is the administrative fee charged to water and sewer for administration. It was tracked by employees hours in the past and became quite cumbersome so staff averaged out the cost per fund and it was about \$25,000 each. This transfer streamlines the process.
8. 2022 Small Cities Assistance fund 100-335500 to fund 100-431100-5300 Street Improvement. This is the state funded revenue that is appropriated to street improvements. By statute it needs to be used for street improvements.

STAFF RECOMMENDATION

Please make a motion to approve Resolution 2630, Authorizing Budget Transfers for Year-end 2021 Cannon Falls City Audit and 2022 Budget Transfers.

REQUESTED COUNCIL ACTION

Please make a motion to approve Resolution 2630, Authorizing Budget Transfers for Year-end 2021 Cannon Falls City Audit and 2022 Budget Transfers.

**CITY OF CANNON FALLS
GOODHUE COUNTY, MINNESOTA**

RESOLUTION NUMBER 2630

**A RESOLUTION AUTHORIZING BUDGET TRANSFERS
FOR YEAR-END 2021 CANNON FALLS CITY AUDIT AND 2022 BUDGET**

WHEREAS, the City Council needs some year-end budget transfers and fund closures to complete the 2021 yearly audit,

WHEREAS, in order to complete the accounting, the City needs to complete the following budget transfers and fund closures; and

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF CANNON FALLS, MINNESOTA:

1. 2021 3rd Street Bridge; Transfer from Fund 100 to Fund 405 for \$20,000
2. 2021 Motor Vehicle; Transfer from 655 to fund 100 for \$38,208.43
3. Close out fund; 404; 2015 Street Improvement Westside Phase 2
4. Close out fund; 408; 2018 Street Improvement Project East Side 2
5. Close out fund 527; Eastside Improvements
6. Close out fund 655; Motor Vehicle
7. 2022 Transfer from 601 and 602 for \$25,000 each to Fund 100-415100-1010
8. 2022 Transfer from 100-335500 Small Cities Assistance to Fund 100-431100-5300 Street Improvement

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF CANNON FALLS THIS 17th
DAY OF MAY, 2022.**

CITY OF CANNON FALLS

John O. Althoff, Mayor

ATTEST: _____
Neil L. Jensen, City Administrator