City of Carroll

112 E. 5th Street Carroll, Iowa 51401-2799 (712) 792-1000 FAX: (712) 792-0139

MEMO TO: Honorable Mayor and City Council Members

FROM: Laura A. Schaefer, Finance Director/City Clerk

DATE: August 3, 2016

SUBJECT: F.Y. 15/16 Year End Transfers

For F.Y. 15/16 the Employee Benefit Levy of $1.76555/$1,000 valuation generated $824,722.94 in property tax revenue. In addition, the City received $41,190.35 from the State in the form of property tax replacement revenue resulting from Senate File 295 (SF295). When received, State law requires this revenue to be receipted into a Special Revenue Fund and then transferred.

The revenue generated from the Employee Benefit Levy can be used to cover General Fund and Road Use Tax (RUT) Fund employee benefits including unemployment, FICA, retirement benefits, and medical insurance. In FY 15/16, the city paid eligible employee benefit expenses in the amount of $1,084,354.73. After using the fund's beginning balance, the Employee Benefit Fund will be completely used.

Attached is a resolution listing each transfer for FY 2015/2016. All the items in the resolution were included in the FY 2015/2016 re-estimated balances when the FY 2016/2017 budget was prepared.

Also attached is a list of all the funds and the effect the transfers have on each fund's ending balance. This list also includes a comparison of what the June 30, 2016 ending fund balance was re-estimated to be when the FY 2016/2017 budget was prepared. There will be continuous review of the financials as we work to close the books for FY 2015/2016.

If you have any questions about the proposed transfers, feel free to call me or stop by City Hall.

RECOMMENDATION: Council consideration and approval of the attached resolution authorizing the FY 2015/2016 transfers.

RESOLUTION NO._____

A RESOLUTION AUTHORIZING THE CITY CLERK TO MAKE THE APPROPRIATE INTERFUND TRANSFERS OF SUMS AND RECORD THE SAME IN THE APPROPRIATE MANNER FOR FY 2016 FOR THE CITY OF CARROLL, IOWA

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carroll, Iowa as follows:

SECTION 1: Authorize the City Clerk to Transfer Funds. That the City Clerk be and is hereby authorized by the City Council to make the appropriate interfund transfer of sums and record the same in the appropriate manner for FY 2016.

SECTION 2: Transfer of Funds. The City Clerk will transfer the following sums and to record the same in the appropriate manner:

1. Transfer from the Employee Benefit Special Revenue Fund to the General fund - $796,240.81 to pay for General Fund employee benefit expenses
2. Transfer from the Water Utility Fund to the General Fund - $38,032.00 to pay for insurance liability & property expenses
3. Transfer from the Sewer Utility Fund to the General Fund - $37,945.00 to pay for insurance liability & property expenses
4. Transfer from Ace Builders U.R. Special Revenue Fund to General Fund - $1,232.38 for interfund loan for the Ace Builders TIF Project
5. Transfer from Employee Benefit Special Revenue Fund to the Road Use Tax Fund - $136,979.90 to pay for Road Use Tax employee benefit expenses
6. Transfer from C.P. – Aquatic Center Fund to Local Option Sales Tax (LOST) Fund - $9,716.95 for aquatic center donations received
7. Transfer from Sewer Utility Fund to Debt Service Fund - $675,300.00 to pay for FY 2016 principal and interest payments
8. Transfer from LOST Fund to Debt Service Fund - $399,730.00 for property tax relief
9. Transfer from Ashwood Urban Renewal Special Revenue Fund to Debt Service Fund - $34,317.53 to pay for FY 2016 principal and interest payments
10. Transfer from General Fund to C.P. – Airport Fund - $31,838.74 to cover expenses for a runway rehabilitation project
11. Transfer from Road Use Tax Fund to C.P. – Streets Fund - $425,000.00 for street rehabilitation projects
12. Transfer from Storm Water Utility Fund to C.P. Streets Fund - $100,000.00 for street rehabilitation projects
13. Transfer from LOST Fund to C.P. – Streets Fund - $500,000.00 to pay for street rehabilitation
14. Transfer from Water Utility Fund to C.P. – Corridor of Commerce Fund - $1,065,000.00 to pay for construction expenses for urban renewal public improvement projects
15. Transfer from General Fund to C.P. – Parks & Rec - $145,151.63 to cover expenses for the Recreation Center Weight Room Expansion Project

16. Transfer from Hotel/Motel Tax Fund to C.P. – Parks & Rec - $80,000.00 for trails
17. Transfer from UR Downtown SR Fund to Water Utility Fund - $873,920.00 to re-pay interfund loan for urban renewal public improvement projects
18. Transfer from Water Utility Fund to Water Utility Depreciation Fund - $50,000.00
19. Transfer from Water Utility Fund to Water Utility Capital Improvement Fund - $226,356.50 for water capital improvement projects
20. Transfer from Water Utility Depreciation Fund to Water Utility Capital Improvement Fund - $300,515.00 for water capital improvement projects
21. Transfer from Sewer Utility Fund to Sewer Utility Depreciation Fund - $35,000.00
22. Transfer from Storm Water Utility Fund to Storm Water Capital Improvement Fund - $155,000.00 for the Third Street Storm Water Project

PASSED AND APPROVED this 8th day of August, 2016.

CITY COUNCIL OF THE
CITY OF CARROLL, IOWA

_____
Eric P. Jensen, Mayor

Attest:

_____
Laura A. Schaefer, City Clerk

CITY OF CARROLL
FUND BALANCES
JUNE 30, 2016

	JUNE 30, 2016 BEFORE TRANSFERS	TRANSFERS IN	TRANSFERS OUT	**JUNE 30, 2016 AFTER TRANSFERS ENDING BALANCE**		JUNE 30, 2016 RE-EST PROJECTED BALANCE
GENERAL FUND	3,078,717.51	872,217.81	176,990.37	**3,773,944.95**	?,^, x	2,545,503
HOTEL/MOTEL TAX	369,154.63		80,000.00	**289,154.63**	+,^	189,479
ROAD USE TAX FUND	1,464,153.94	136,979.90	425,000.00	**1,176,133.84**	??,*	1,084,698
EMP BENEFIT S.R.	933,220.71		933,220.71	-		-
EMERGENCY S.R.	-			-		-
LOCAL OPTION SALES TAX	2,471,864.60	9,716.95	899,730.00	**1,581,851.55**	x	1,329,000
UR DOWNTOWN S.R.	60,644.62			**60,644.62**		111,535
UR EAST- IHA SR. HSG S.R.	-			-		-
UR ASHWOOD BUSINESS PARK	34,317.53		34,317.53	-		-
UR ACE BUILDERS	-			-		-
REC CENTER TRUST FUND	33,968.07			**33,968.07**		30,246
LIBRARY TRUST FUND	65,841.47			**65,841.47**		10,452
POLICE FORFEITURE	12,182.40			**12,182.40**		12,411
CRIME PREV/SPEC PROJECTS	45,332.19			**45,332.19**		44,802
DEBT SERVICE FUND	(1,013,935.30)	1,109,347.53		**95,412.23**		91,788
C.P. - EQUIPMENT PURCHASES	-			-		-
C.P. - AIRPORT	(31,838.74)	31,838.74		-		-
C.P. - STREETS	(573,066.49)	1,025,000.00		**451,933.51**	x, xx	992,623
C.P. - CORRIDOR OF COMM.	898,284.00	1,065,000.00		**1,963,284.00**	xx	1,325,683
C.P. - PARKS & RECREATION	171,218.64	225,151.63		**396,370.27**	xx	-
C.P. - OUTDOOR AQUATIC CENT	9,716.95		9,716.95	-		-
PERPETUAL CARE FUND	443,188.70			**443,188.70**		435,882
REC CNTR TRST-PERMANENT	32,125.98			**32,125.98**		32,096
WATER UTILITY FUND	3,147,953.61		1,379,388.50	**1,768,565.11**	*	1,413,035
WATER UTILITY DEPR.	916,593.87	50,000.00	300,515.00	**666,078.87**		664,353
WATER UTILITY CAP. IMP.	(287,636.78)	526,871.50		**239,234.72**	xx	59,585
WATER METER DEPOSIT	43,720.90			**43,720.90**		45,421
SEWER UTILITY FUND	3,100,199.04		748,245.00	**2,351,954.04**	^	2,171,806
SEWER UTILITY DEPR.	477,720.15	35,000.00		**512,720.15**		511,785
SEWER UTILITY CAP. IMP.	611,031.77			**611,031.77**		610,056
STORM WATER UTILITY	886,862.56		255,000.00	**631,862.56**		626,401
STORM WATER CAP. IMP.	247,186.00	155,000.00		**402,186.00**		387,753
MEDICAL INSURANCE FUND	439,919.28			**439,919.28**		402,863
TOTAL	**18,088,641.81**	**5,242,124.06**	**5,242,124.06**	**18,088,641.81**		**15,129,256**

? - $345,000 of projects budgeted in FY 2016 to be considered/completed in FY 2017.

+ - $42,000 of projects budgeted in FY 2016 to be completed in FY 2017 and hotel/motel collections $39,000 greater than anticipated.

?? - Actual RUT collections were $31,000 greater than projected.

^ - Combination of revenue collections greater than anticipated and operating expenses less than anticipated.

x - Did not transfer $250,000 for streets maintenance building project.

xx - Capital projects not completed as of June 30, 2016: Street Resurfacing projects, Streetscape Phase 8
Grant Road/Hwy 30 intersection improvements, Merchants Park, well construction, water filter rehab

* - Operating expenses less than anticipated.