

Function:
Transfers

Department:
City Administrator

Activity:
Assigned Funding Allocations

GENERAL INFORMATION

Governmental Accounting Standards Board Statement 54 was effective for the City's fiscal year ended June 30, 2011. This Statement provided for clearer, more structured fund balance classifications and clarified the definitions of each fund type. This statement provides that the fund balances of governmental funds, including the General Fund of governmental entities, be classified into nonspendable, restricted, committed, assigned, and unassigned amounts.

The 2012/2013 General Fund budget includes the following three assigned funding allocations:

Police COPS Grant Future Funding Commitment - \$40,000

In 2011 the City was awarded funding for two police officer positions under a U.S. Department of Justice COPS Grant. This grant provides 100% funding for the two officers for three years. The grant requires the City retain these two positions for at least one more year after the grant funding ends. One of the new positions will be a second School Resource Officer used during the school year in the middle schools. The School has agreed to fund the cost of the fourth year for this position (one officer prorated at 75% for the school year). Plans are for the City to assign annual allocations of \$40,000 in each of the three years of the grant so sufficient funding is available to fund the City's portion of the fourth year cost for these positions.

Future Fire Engine Replacement - \$250,000

The Fire department budget included a \$490,000 capital outlay request for a new fire engine. The 2012/2013 budget assigns \$250,000 of funding from the General Fund toward the future year (2013/2014) purchase of this fire engine. The balance of the fire engine cost (\$240,000) will be funded from the 2013/2014 budget if sufficient funding is available. In prior years this type of purchase would likely have been funded from a bond issue. This alternate funding arrangement was proposed in order to not increase the debt service tax levy for this purchase. The current General Fund balance is sufficient to make this funding assignment in 2012/2013.

Financial Software Replacement - \$140,000

Replacement of the City's financial software system has been included in the Five-Year Capital Improvements Program. Selection for the new software system is underway. One on-site and one web-based demonstration have been presented to a committee consisting of the Finance Director, Accountant, IT Manager, and HR Manager. Price quotations have been received from both of these vendors. More in-depth review of each of these systems, however, will be made before a formal recommendation is made. The 2012/2013 budget includes \$140,000 of assigned funding for this purchase. Similar to the Fire Engine funding assignment, this purchase was proposed to be funded from the General Fund balance and not financed through a bond issue in order to not incur interest costs on this purchase.