

## **RESOLUTION NO. 2024-11**

### **A RESOLUTION APPROVING THE TEMPORARY BORROWING OF FUNDS FOR THE FIRE DEPARTMENT'S NEW PUMPER TRUCK**

**WHEREAS**, often local governments will loan resources from one fund to another fund experiencing a temporary cash shortage. The Office of the State Auditor (OSA) has determined under generally accepted accounting principles (GAAP), funds that account for reserved or dedicated monies (such sewer, road and bridge funds, and others) may make temporary loans to other funds;

**WHEREAS**, on June 21, 2024, the City of Hayward received a request from Fire Chief Eric Knutson and Assistant Fire Chief Matt Solomonson to temporarily borrow \$415,662.80, the remaining balance of the Fire Department's new pumper truck – just until the department receives its FEMA Grant, of the same amount;

**WHEREAS**, Knutson and Solomonson stated the FEMA grant will arrive in (approximately) four weeks;

**WHEREAS**, the truck is ready to be picked up from Custom Fire Apparatus, Inc., located in Osceola, WI, and the remaining balance is due immediately – Knutson and Solomonson did not realize a cash transaction would be required upon pick up;

**WHEREAS**, on June 21, 2024, in the Hayward City Council held an emergency meeting to vote on whether to transfer \$415,662.80 from the city's savings account into the city's checking account so that the Hayward Fire Department can pick up the new fire truck as scheduled;

**WHEREAS**, it is the policy of the Council that interfund loans between the various funds, the Capital Projects Fund (Capital Expenditures), or the Debt Service Fund, may be used to alleviate a temporary cash deficiency;

**WHEREAS**, the loan shall be accounted for as a temporary borrowing between funds or accounts and shall not be available for appropriation or be considered revenue to the borrowing fund or account;

**WHEREAS**, the amount temporarily borrowed shall be repaid within 31 calendar days and immediately returned to the City of Hayward's savings account;

**WHEREAS**, no more than 75 percent of the maximum money held in any fund or account may be loaned;

**WHEREAS**, this temporary borrowing is contingent upon the expected arrival of the FEMA Grant in the same amount of \$415,662.80;

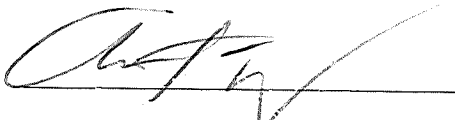
**WHEREAS**, the Hayward City Council voted unanimously to approve borrowing the Hayward Fire Department \$415,662.80 to pick up the new pumper truck;

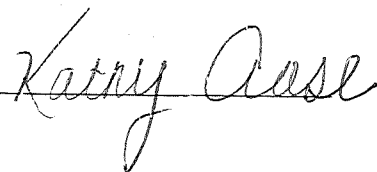
**WHEREAS**, Council determined the city has enough money in savings and that 75% of the following funds, reserved for various future projects, were borrowed from:

<b>Capital Expenditure reserved for various projects</b>	
Class: Fire.....	\$260,00.00
Class: Fire Training and Equipment.....	\$65,000
Class: Street.....	\$399,821
Class: Water.....	\$122,261
Class: Sewer.....	\$24,466
Class: General.....	\$39,975
Total:	<b>\$911, 523</b>
Total Capital Expend. Spent as of 6/212024	-\$119,939
Difference:	\$791,584
<b>75% of Difference</b>	<b>\$593,688</b>

**NOW, THEREFORE, BE IT RESOLVED** that the Hayward City Council hereby approves the transfer of funds from the city's savings account to the city's checking account, in the amount of \$415,662.80, to pay the remaining balance of the pumper trunk, and the city will be reimbursed in full when the FEMA grant arrives:

Approved this 21st day of June 2024

  
Anthony Cox, Mayor

Attest: 

Kathy Aase, City Clerk/Treasurer