City Council Item

April 14, 2025

Item	Resolution 2025-XX: Approve Interfund Loans for the Fiscal Year 2024	
File No.		**Item No:** D.22
Agenda Section	**CONSENT AGENDA**	
Prepared By	Kelly Grinnell, Finance Director	
Reviewed By	Laurie Hokkanen	

SUGGESTED ACTION

"The Chanhassen City Council adopts the resolution to approve Interfund Loans for the Fiscal Year 2024."

Motion Type	Simple Majority Vote of members present
Strategic Priority	Financial Sustainability

SUMMARY

Each year, the city submits its Annual Comprehensive Financial Report (ACFR) to the Government Finance Officers Association (GFOA) for its Excellence in Financial Reporting Program. One of the requirements of the program is that any cash balance deficits in individual funds be eliminated by either an interfund transfer or an interfund loan effective at year-end.

For 2024, the City has two funds with cash balance deficits at year-end:

- Civic Campus Fund $ -224,012.64
- Surface Water Management Fund $-1,056,519.48

Staff proposes temporary interfund loans as follows:

- Civic Campus Fund $ 250,000.00
- Surface Water Management Fund $1,060,000.00

The interfund loans would not bear interest and will mature on December 31, 2025. The city plans to

issue bonds in 2025 that will resolve the cash balance deficit for the Civic Campus Fund. The Surface Water Management Fund will have an ongoing cash deficit for several years, but with planned rate increases it will become solvent by 2033.

Staff recommends council approval of the attached resolution for the interfund loans.

BACKGROUND

DISCUSSION

BUDGET

RECOMMENDATION

Staff recommends the City Council adopt a resolution approving the interfund loans for the fiscal year 2024.

ATTACHMENTS

Resolution Approving Interfund Loans for Financial Reporting FY2024