



TO: Mayor
Members of the City Council

FROM: Jenna Zelinski, Comptroller

DATE: January 16, 2024

SUBJECT: APPROVAL OF THE 2023 INTEREST DISTRIBUTION

I. RECOMMENDED ACTION

- Recommend City Council approve the 2023 interest distribution.

II. DEPARTMENT CONTACT PERSONS

David Lakefield, Finance Director | 701-857-4784
Jenna Zelinski, Comptroller | 701-857-4703
Melody Shelkey, City Treasurer | 701-857-4771

III. DESCRIPTION

A. Background

The City collects interest on cash in various bank accounts. The interest amounts get receipted into the General Fund on a monthly basis. At the end of each quarter, an internal transfer takes place to allocate or distribute the interest income to all appropriate funds. This transfer is completed in accordance with the 2023 annual budget and is based on the average monthly cash balance in each respective fund. Historically, the interest distribution has been approved by the City Council on an annual basis.

B. Proposed Project

N/A

C. Consultant Selection

N/A

IV. IMPACT:

A. Strategic Impact:

The Finance department has continued its efforts to maximize our interest revenues with the favorable rate environment. We continue to monitor rates and explore financing opportunities to maximize our return on cash and investments.

B. Service/Delivery Impact:

N/A

C. Fiscal Impact:

Annual interest income receipted into the General Fund was \$4,874,251 and a total of \$3,649,233 will be distributed to each respective fund and the remaining will reside in General Fund.

V. CITY COUNCIL ASPIRATIONS

The City Council aspiration achieved through this is dynamic & flourishing. As we continue to see returns on our investments, it will increase our budgeted revenue to offset the need to levy property taxes.

VI. ALTERNATIVES

N/A

VII. TIME CONSTRAINTS

The internal transfer must be completed for fiscal year end.

VIII. LIST OF ATTACHMENTS

A. 2023 Interest Distribution