



AGENDA ITEM SUMMARY

Agenda Date

April 8, 2025

Requested Action

APPROVE RESOLUTION NO. 2025-R24; A RESOLUTION TO CREATE FIVE (5) NEW CITY FUNDS: DISPATCH FUND, UTILITY VEHICLE REPLACEMENT FUND, GOVERNMENT VEHICLE REPLACEMENT FUND, UTILITY EQUIPMENT REPLACEMENT FUND AND GOVERNMENT EQUIPMENT REPLACEMENT FUND.

Contact Person

Sarah Buckelew, Finance Director

Background Information

To enhance financial transparency and long-term planning, staff propose creating five new special revenue funds:

1. Dispatch Fund
2. Utility Vehicle Replacement Fund
3. Government Vehicle Replacement Fund
4. Utility Equipment Replacement Fund
5. Government Equipment Replacement Fund

Establishing these funds will help the City better track dedicated revenues, plan for future costs, and manage financial resources more efficiently.

- **Dispatch Fund:** This fund will separately account for contributions, expenses, and fund balances related to the regional dispatch center, which is jointly funded by the City of Boerne, Kendall County, and the City of Fair Oaks Ranch. Currently, these activities are recorded in the General Fund, but a separate fund will provide greater clarity given the center's unique funding structure. The Dispatch Board reviewed this proposal on March 6th and responded positively. The existing fund balance will be transferred at the end of FY 2025 to establish an appropriate starting balance for FY 2026.
- **Vehicle & Equipment Replacement Funds:** These funds will support the proactive management of the City's fleet and equipment by ensuring timely replacements, reducing maintenance cost spikes, and improving financial planning. Revenue from selling retired vehicles and equipment will be

	<p>deposited into these funds starting in FY 2025. Additionally, an initial transfer of available General Fund balances will establish appropriate starting balances for FY 2026.</p> <p>Establishment of these new funds will strengthen the City's financial oversight while ensuring sustainable investment in critical assets.</p>
Strategic Alignment	<p>F1: Commitment to strategic, responsible, and conservative financial management.</p> <p>Fiscal Excellence</p>
Financial Considerations	N/A
Citizen Input/Board Review	N/A
Legal Review	N/A
Alternative Options	N/A
Supporting Documents	Resolution No. 2025-R24