



## AGENDA ITEM SUMMARY

<b>Agenda Date</b>	September 23, 2025
<b>Requested Action</b>	APPROVE RESOLUTION NO. 2025-R73; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BOERNE, TEXAS, DIRECTING THE CLOSEOUT OF YEAR-END SURPLUSES.
<b>Contact Person</b>	Sarah Buckelew, Finance Director
<b>Background Information</b>	<p>Each year, as the City closes its financial records, some funds may reflect a surplus balance after accounting for restricted uses, required reserves, and approved obligations. This resolution establishes a clear process for applying those remaining surpluses to support the City's upcoming adopted budget and CIP, and strategic priorities.</p> <p>Under the resolution, year-end surpluses in the General Funds and Utility Funds (not Special Revenue Funds) will first be applied to statutory restrictions, encumbrances, and the City's minimum operating reserve requirement. Any remaining balances will then be assigned to capital and special projects as adopted in the FY 2026 Budget and Capital Improvement Program (CIP). Finally, residual surpluses will be transferred to the Governmental Capital Fund or to the respective Capital Funds of each utility.</p> <p>Adopting this resolution provides consistency and transparency in year-end financial practices. It ensures that one-time surpluses are directed toward capital improvements and long-term projects rather than ongoing operations, aligning with the City's Fiscal and Budget Policy and the Texas Local Government Code.</p>
<b>Strategic Alignment</b>	F1: Commitment to strategic, responsible, and conservative financial management. Fiscal Excellence
<b>Financial Considerations</b>	N/A

<b>Citizen Input/Board Review</b>	N/A
<b>Legal Review</b>	The resolution was reviewed and approved by legal
<b>Alternative Options</b>	N/A
<b>Supporting Documents</b>	Resolution No. 2025-R73