



## STAFF REPORT

December 6, 2021

### TITLE:

Transfer 2020 Operating Fund Surplus to Capital Funds

### RECOMMENDATION:

By motion: Board approve the transfer to the Development Fund of \$696,534 being the 2020 Operating Fund surplus.

### BACKGROUND:

The State of California approved Assembly Bill Number 2912 on September 14, 2018 which added Civil Code Section 5502, which dictates specific Board of Directors approval of fund transfers over \$10,000 from all accounts. The law went into effect January 1, 2019.

Previous Boards have explicitly approved any Operating Fund surplus to either the Replacement Reserve Fund or the Development Fund.

### ANALYSIS:

Budget 2022 reflects an opening balance of the Development Fund of \$10,011,237 which is inclusive of the transfer of the 2020 Operating Surplus of \$696,534.

### OUTREACH:

NA

### FISCAL IMPACT:

An increase to the Development Fund of \$696,534 with a proposed year end balance after the transfer of \$10,011,237

### ALTERNATIVES:

NA

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Reviewed by:

General Manager Approval to Place on the Agenda: \_\_\_\_\_