MEMORANDUM

TO: Mayor and Town Council

FROM: Mark E. Biberdorf, Town Manager MEB

COPY TO: Heather Taylor, Assistant Town Manager
Jabbo Pressley, Public Works Director

DATE: July 1, 2026

SUBJECT: Additional Fund Balance Designation for Library Project

At the recent special call meeting to close our fiscal year, the suggestion for an additional fund balance designation was brought up for the library project. This was suggested considering the recent engagement with Henderson County to work on a joint project to build a new library. Staff agreed to come back with a recommendation for an amount of unassigned fund balance that could be shifted to the current fund balance designation for the library project.

I have reviewed the previously submitted report from the February Council Meeting where recommendations were made, per our Fund Balance Policy, to spend down unassigned fund balance to the top end of the desired range. This would have meant either spending approximately $950,000 or moving that to a designated fund balance for a specific use. No action was taken at that time due to the recent reengagement with Henderson County to work on a jointly funded library facility.

Considering the above information and as an additional step to demonstrate the Town's commitment to the library project, I am recommending that Council move $950,000 from unassigned fund balance to the current fund balance designation for a library facility. This would bring the total amount dedicated to or restricted for the library project to $1,000,000.

If there are any questions regarding this item prior to the Agenda Review meeting, please let me know.

MEB/meb