



CITY COUNCIL AGENDA ITEM

Date: June 10, 2015

To: Honorable Mayor and City Council

From: Brian Kischnick, City Manager
Thomas Darling, Director of Financial Services

Subject: 2015 Annual Budget Amendments

History

The City maintains strong financial policies and best practices that demonstrate “doing government the best” in governmental financial management. These policies include continuous monitoring of departmental and fund expenditures to ensure conformity to budgets and if required, to amend budgets of the General Fund and Special Revenue funds to reflect changes in expectations.

As a matter of course and as reflected in the City’s budget calendar, management recommends budget amendments, if required, in June of each year to reflect these changes in expectations from amounts that were originally budgeted in the prior year.

These amendments reflect changes that can stem from a variety of factors including new grant agreements, unexpected increases in demand levels or commodity costs, and private contributions.

Financial

The following are management’s budget recommendations by fund and/or department for the fiscal year ending June 30, 2015. All amendments were recognized, to various degrees, in management’s estimates during the City’s recent 2015/16 budget process.

General Fund

Revenues: Increase Building Permit revenue from \$1,515,000 to \$2,265,000, an increase of \$750,000 due to increase building and related permit fee activity.

Increase transfers in from Major Streets Fund from \$2,025,000 to \$2,325,000, an increase of \$300,000 to recognize reimbursement from Major Streets Fund to offset increased costs in Major Streets Department (See Major Streets *Department* and Major Streets *Fund* Below).



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General Fund (continued)

Expenditures:

City Council Dept. Increase expenditure budget from \$79,800 to \$87,800, an increase of \$8,000 to recognize purchase of expendable furniture/equipment (Council Chairs).

City Manager Dept. Increase expenditure budget from \$1,399,340 to \$1,431,340, an increase of \$32,000 to recognize Management Analyst position.

Building Inspect. Increase budget from \$1,843,410 to \$2,403,410, an increase of \$560,000 to recognize increase in building and related inspection fee costs for SafeBuilt contract. (Note: this is more than offset by the revenue budget amendment above).

Major Streets Dept. Increase budget from \$2,035,000 to \$2,335,000, increase of \$300,000 to recognize increase cost in street signs (\$100,000) for repairs from motorist damage and replacement program and surface maintenance (\$200,000) for increased DPW staff time and materials for major road repairs and projects..

Major Streets Fund Increase Transfers Out to General Fund from \$2,025,000 to \$2,325,000, increase of \$300,000 to reimburse General Fund for major street department expenditures incurred (See Major Streets Dept. and General Fund Revenue amendments above).

Refuse Fund Increase fund budget from \$4,446,000 to \$4,618,000, increase \$172,000 to recognize prior year storm/flood pickup services from SOCRRA (\$164,000) and City Special Event pickups such as summer concerts, etc. (\$8,000).

Transit Center Fund Transfer budget from General Fund to individual Transit Center Fund. Transfer both revenues and expenditures of \$65,600. Revenues are generated through reimbursements from Amtrak for city incurred expenditures. In addition, revenues are also generated from corporate sponsor fees for advertising rights at the Transit Center Facility.

Recommendation

Management encourages Council Approval of above recommended budget amendments.