



## CITY COUNCIL ACTION REPORT

June 9, 2008

TO: Phillip L. Nelson, City Manager  
FROM: John M. Lamerato, Assistant City Manager/Finance & Administration  
SUBJECT: 2007/08 Budget Amendment No. 2

### Background:

- In June of every fiscal year, once May financials are complete, we review all budgetary centers in the General Fund and Special Revenue Funds to determine whether a budget amendment is necessary based on eleven months of actual expenditures and estimating June expenditures.

### Financial Considerations:

- Several of the budget amendments are a result of reclassifying capital expenditures from the Capital Fund to operating accounts of the General Fund, per accounting standards.

### Legal Considerations:

- The budget amendments will keep us in compliance with P.A. 621 of 1978 Uniform Budgeting Act, which calls for budgets to be amended when necessary.

### Policy Considerations:

- The budget amendment conforms to Goal II, "Minimize the cost and increase the efficiency and effectiveness of City government", by upholding fiscal integrity.

### Options:

- It is requested that City Council approve Budget Amendment No. 2 as recommended by City Management, an explanation of which follows:

General Fund

- Fire Administration (\$20,000) – EMPCO testing and recruiting for Assistant Chief
- Fire Halls (\$80,000) – Snow removal costs and equipment maintenance
- Planning (\$40,000) – P.U.D. review fees, offset by application revenue
- Local Tree Maintenance (\$600,000) – Reclassify Capital funds for tree planting
- Police Administration (\$100,000) – Account for electricity charges for new wing
- Police Patrol (\$55,000) – Reclassify Capital funds for ammunition
- Police Training – (\$25,000) – Reclassify Capital funds for ammunition
- Police Records (\$40,000) – Reclassify Capital funds for document imaging

Refuse Fund

- Contractors Service (\$150,000) – Reflect estimated cost for refuse collection, disposal and recycling.

Major Street Fund

- Transfer to General Fund (\$100,000) – Additional funding for snow and ice removal

Local Street Fund

- Transfer to General Fund (\$64,000) – Additional funding for snow and ice removal

Community Development Block Grant Fund

- Section 36 Park Pathway – (\$40,000) Provide funding for the initial park pathway project

2007-2008 BUDGET AMENDMENT NO. 2

	<u>CURRENT BUDGET</u>	<u>AMENDMENT</u>	<u>AMENDED BUDGET</u>
<b><u>GENERAL FUND</u></b>			
<b>REVENUE</b>			
CATV FRANCHISE FEE	\$ 800,000	\$ 100,000	\$ 900,000
DRUG FORFEITURE PROCEEDS	225,000	100,000	325,000
P.U.D. APPLICATIONS	6,000	40,000	46,000
TRSF. FROM CAPITAL PROJECTS FUND	-	720,000	720,000
TOTAL AMENDMENT TO REVENUES		<u>\$ 960,000</u>	
<b>EXPENDITURES</b>			
FIRE ADMINISTRATION	\$ 304,680	\$ 20,000	\$ 324,680
FIRE HALLS	595,670	80,000	675,670
PLANNING	672,840	40,000	712,840
LOCAL TREE MAINTENANCE	475,860	600,000	1,075,860
POLICE - ADMINISTRATION	1,884,600	100,000	1,984,600
POLICE - PATROL	9,417,960	55,000	9,472,960
POLICE - TRAINING	406,770	25,000	431,770
POLICE - RECORDS	587,680	40,000	627,680
TOTAL AMENDMENT TO EXPENDITURES		<u>\$ 960,000</u>	
<b><u>REFUSE FUND</u></b>			
<b>REVENUE</b>			
FUND BALANCE	\$ 742,149	\$ 150,000	\$ 592,149
TOTAL AMENDMENT TO REVENUES		<u>\$ 150,000</u>	
<b>EXPENDITURES</b>			
CONTRACTORS SERVICE	\$ 3,577,000	\$ 150,000	\$ 3,727,000
TOTAL AMENDMENT TO EXPENDITURES		<u>\$ 150,000</u>	
<b><u>MAJOR STREET FUND</u></b>			
<b>REVENUE</b>			
FUND BALANCE	\$ 1,600,263	\$ 100,000	\$ 1,500,263
TOTAL AMENDMENT TO REVENUES		<u>\$ 100,000</u>	
<b>EXPENDITURES</b>			
TRANSFER TO GENERAL FUND	\$ 2,014,780	\$ 100,000	\$ 2,114,780
TOTAL AMENDMENT TO EXPENDITURES		<u>\$ 100,000</u>	

2007-2008 BUDGET AMENDMENT NO. 2

	<u>CURRENT BUDGET</u>	<u>AMENDMENT</u>	<u>AMENDED BUDGET</u>
<b><u>LOCAL STREET FUND</u></b>			
<b>REVENUE</b>			
FUND BALANCE	\$ 1,101,945	\$ 64,000	\$ 1,037,945
TOTAL AMENDMENT TO REVENUE		<u>\$ 64,000</u>	
<b>EXPENDITURES</b>			
TRANSFER TO GENERAL FUND	\$ 1,626,310	\$ 64,000	\$ 1,690,310
TOTAL AMENDMENT TO EXPENDITURES		<u>\$ 64,000</u>	
<b><u>COMMUNITY DEVELOPMENT BLOCK GRANT</u></b>			
<b>REVENUE</b>			
FEDERAL GRANTS	\$ 166,320	\$ 40,000	\$ 206,320
TOTAL AMENDMENT TO EXPENDITURES		<u>\$ 40,000</u>	
<b>EXPENDITURES</b>			
SECTION 36 PARK PATHWAY	-	\$ 40,000	\$ 40,000
TOTAL AMENDMENT TO EXPENDITURES		<u>\$ 40,000</u>	