



## Legislation Text

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**File #:** 48235, **Version:** 2

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### **Fiscal Note**

The proposed resolution amends the 2017 Adopted Operating Budget in order to make technical adjustments within various agency budgets. In certain instances, the Adopted Operating Budget includes funding for expenditures centrally with the anticipation of transferring those funds to agency budgets throughout the year when actual spending patterns are known. This is the case for both sick leave escrow and carry forward encumbrances; the amounts proposed in the midyear appropriation adjustment are based on actual expenditures through the first half of 2017. All of the proposed adjustments through this resolution are net neutral within the General Fund and have no impact on the Expenditure Restraint Program.

### ***Sick Leave Escrow***

The 2017 Adopted Operating Budget includes \$1,938,628 for sick leave escrow payments made from the General Fund. Through the 2<sup>nd</sup> Quarter \$2.2m has been paid out by General Fund agencies. The resolution recommends transferring funds only to those agencies where the sick leave escrow amount is contributing to a deficit within the agency's budget.

Fire: 613,027

Police: 512,890

Streets: 207,380

Traffic Eng: 268,479

Parks: 191,514

Direct Appropriations: (1,793,290)

Net GF Impact: \$0

### ***Carry Forward Encumbrances***

The 2017 Adopted Operating Budget includes \$400,000 for encumbrances associated with contracts that span multiple years, the total amount carried forward from 2016 totals \$334,236. The balance of the budget for carry forward encumbrances (\$65,764) will be transferred to the Contingent Reserve.

Finance: 5,454

IT: 16,731

Mayor: 19,500

Fire: 10,263

Police: 8,393

Engineering: 7,202

CDD: 103,814

PCED Director: 711

Planning: 162,168

Direct Appropriations: (334,236)

Net GF Impact: \$0

### ***Miscellaneous Adjustments***

The Treasurer's Office requires an additional \$200,000 for bank and credit card charges. The projected deficit is related to the allocation of these charges across enterprise funds for their portion of the services. This transfer will be funded by the Contingent Reserve, upon approval of this transfer the remaining balance of the 2017 Contingent Reserve will be \$1,207,904.

The proposed resolution also increases the CDA Housing Operations budget to reflect additional revenue and expenditures associated with the Section 8 portable housing vouchers program by \$440,000. This increase adjusts both expenditures and revenue to reflect actual spending and is net-neutral to the General Fund.

The midyear appropriation adjustment also increasing funding for two projects included in the capital budget: (1) Meadowridge Library Expansion, (2) Small Capital TIF & State Street Retail programs. The Library requires an additional \$45,000 for the Meadowridge Library expansion to offset unanticipated costs associated with closing the project. This amendment will be funded by reserves within the capital projects fund.

The 2017 Adopted Capital Budget includes \$440,000 from the State Street Retail Grant and Small Capital TIF programs. Utilize of these programs increased significantly compared to prior years. Current commitments from the programs exceed the budgeted amount by \$260,000. This amendment will be funded by TID 32 proceeds. No additional applications will be accepted for the program.

#### **Title**

SUBSTITUTE - Amending the 2017 Adopted Operating Budget to transfer funds within agency budgets based on projected spending through the 2nd Quarter of 2017.

#### **Body**

WHEREAS, the 2017 Adopted Operating Budget includes \$1,938,628 within Direct Appropriation for sick leave escrow payments associated with payments made by the City for health insurance benefits upon the retirement of employees; and,

WHEREAS, the 2017 Adopted Operating Budget includes \$400,000 within Direct Appropriations for encumbrances that carried forward from 2016; and,

WHEREAS, these funds are budgeted centrally and expenditures are incurred within agency budgets, the resolution authorizes transferring appropriation to various agency budgets based on actual spending through the first half of 2017; and,

WHEREAS, actual revenue and expenditures associated with the portable housing voucher program are exceeding the budgeted amounts; and,

WHEREAS, upon completion of the Meadowridge Library expansion project there were unanticipated costs not included in the budget; and,

WHEREAS, funding requests through the State Street Retail Grant and Small Capital TIF programs exceed the budgeted amount included in the 2017 Capital Budget;

NOW THEREFORE LET IT BE RESOLVED, that the Common Council amends the 2017 Adopted Operating Budget to transfer \$1,793,290 from Direct Appropriations to the following agency budgets for actual sick leave escrow payments made through the first half of 2017:

Fire: \$613,027

Police: \$512,890

Streets: \$207,380

Traffic Engineering: \$268,479

Parks: \$191,514

Direct Appropriations: (\$1,793,290)

BE IT FURTHER RESOLVED, that the Common Council amends the 2017 Adopted Operating Budget to transfer \$334,236 from Direct Appropriations to the following agency budgets for encumbrances that were carried forward from 2016, and \$65,764 remaining as a balance of the appropriation for the carry forward encumbrances will be transferred to the Contingent Reserve:

Finance: \$5,454

Information Technology: \$16,731

Mayor: \$19,500

Fire: \$10,263

Police: \$8,393  
Engineering: \$7,202  
Community Development: \$103,814  
PCED Office of the Director: \$711  
Planning: \$162,168  
Direct Appropriations: (\$334.326)

BE IT FURTHER RESOLVED, that \$200,000 will be transferred from the Contingent Reserve to the Treasurer's Office purchased services budget for credit card and bank charges; and,

BE IT FURTHER RESOLVED, that the CDA Housing Operations budget is amended to appropriate \$440,000 in revenue and corresponding expenditures for the portable housing voucher program; and

BE IT FURTHER RESOLVED, that the Library's 2017 Capital Budget is amended to appropriate \$45,000 from reserves within the Capital Projects Fund for the Meadowridge expansion project to offset cost overruns for the projects; and,

BE IT FINALLY RESOLVED, that the Economic Development Division's 2017 Capital Budget is amendment to appropriate \$260,000 from TID 32 increment for the State Street Retail Grant and Small Cap TIF programs.