

FY2019 Proposed September Budget Amendments



This document provides detailed information on the proposed FY2019 September budget amendments for the City of Pocatello.

A public hearing on the proposed budget amendments will be held at 6:00 pm on Thursday, September 19, 2019 in the Council Chambers at City Hall, 911 North 7th Avenue, Pocatello, Idaho 83201.

The City Council is scheduled to subsequently consider an amendment to the FY2019 Budget Ordinance at the conclusion of the regular meeting of September 19, 2019.

Ashley Linton-Welsh
Phone: (208) 234-6219
Fax: (208) 239-6977
Email: alinton@pocatello.us
View on line at: www.pocatello.us

MEMORANDUM FOR: Mayor Blad, Council Members & Citizen Stakeholders

FROM: Ashley Linton-Welsh, Deputy Chief Financial Officer/Deputy Treasurer

SUBJECT: **Proposed FY19 September Budget Amendments**

DATE September 3, 2019

1. **FOR INFORMATION.**

2. **Purpose.** To provide information regarding proposed FY19 September Budget Amendments.

3. **Discussion.**

a. **General.** Every year the City finds it necessary to amend the budget to account for unanticipated grants or other situations. Although the City may have been awarded a grant, the government must still authorize the new expenditures in the budget. The budget amendment process is similar to that of the original budget: publish a public notice twice with the details, hold a public hearing and then adopt an amended budget ordinance. This is the third and final ordinance amendment that could revise some budgets upwards.

b. **Summary:**

FY 2019 Proposed September Budget Amendments						
Ref #	Line #	Description	Fund	Amount	Source of \$	Notes
1	001-0500-422.13-02	Unplanned retirement, additional amount	General	\$ 6,000.00	Retirement Savings	Unplanned retirement, additional amount needed to cover expense. Fund from Retirement Savings are available.
2	001-0601-520.95-03	Transfer money to Fund 078 for future capital needs	General	\$ 5,000.00	Proceeds from sale of surplus property	Use of sales proceeds to transfer money to Fund 078 for future capital needs
3	001-0800-520.95-03	Transfer money to separate fund for Hill Vu Settlement	General	\$ 4,500,000.00	Reserves	Use of reserves for Hill Vu Settlement payout
4	001-1000-421.11-01	Extra overtime for election security	General	\$ 5,149.00	Reimbursement	Use of reimbursement from private company for overtime due to election security
5	001-1000-421.32-99	Purchase supplies	General	\$ 345.00	Settlement	Class Action Lawsuit Settlement agreement will be used to purchase supplies
6	001-1000-421.32-99	K-9 Unit supplies	General	\$ 2,580.00	Donations	Donations made to the K-9 Unit will be used to purchase supplies
7	001-1000-421.40-99	Training	General	\$ 838.00	Proceeds from sale of bus	Proceeds from the sale of a donated bus were used to offset the cost of SWAT training and towing costs.
8	001-1000-500.82-05	Replace patrol vehicle that was totaled in an accident	General	\$ 22,295.00	ICRMP Reimbursement	Use ICRMP reimbursement to replace patrol vehicle totaled in an accident

FY 2019 Proposed September Budget Amendments

Ref #	Line #	Description	Fund	Amount	Source of \$	Notes
9	003-2002-500.80-01	Asphalt for Gould Street railroad crossing	Street	\$ 19,376.00	ITD Reimbursement	ITD reimbursement for asphalt for Gould Street railroad crossing
10	007-9903-461.32-99	STEM programming supplies	Library	\$ 1,000.00	Award for STEM program participation	Use of award money to purchase STEM programming supplies
11	007-9903-461.52-03	Repair and restore the brick work of the Carnegie section of the library	Library	\$ 40,000.00	Reserves	Use of reserves to repair and restore the brick work of the Carnegie section of the library.
12	009-2401-500.82-02	Shelter for 7th & Sherman Bus Stop	Transit	\$ 20,000.00	Grant/City Match	Use of grant funds and existing City match to build a shelter at the 7th & Sherman Bus Stop
13	017-1700-402.32-99	Watershed Fence project	Science & Environment	\$ 20,000.00	Grant	Grant funds received from Idaho Fish & Game will be used for the Watershed Fence project
14	052-5200-440.31-06	WaterSmart Installation	Utility Billing	\$ 46,700.00	Reserves	Use of Utility Billing Fund reserves for WaterSmart installation
15	070-6001-500.80-01	Hawthorne/Quinn Project Right-of-Way Phase	Federal Aid Projects	\$ 100,000.00	Reserves	Use Street Federal Aid Projects Fund reserves for Right-of-Way Phase of Hawthorne/Quinn project
16	088-8106-490.32-99	Other General Supplies	Police Grant Fund	\$ 1,791.00	Grant	Additional Bryne grant funds will be used for other general supplies
	Total Amendments			\$ 4,791,074.00		

c. **Timeline.** The proposed timeline for this “September” set of budget amendments is:

August 29, 2019	Notice sent to Idaho State Journal (ISJ)
September 4, 2019	Public notice #1 published
September 11, 2019	Public notice #2 published
September 12, 2019	Council Work Session review
September 19, 2019	Public Hearing and consider amended ordinance

d. **Further amendments.** This is the third and final opportunity to amend the budget for fiscal year 2019.

e. **About amendments in general.** Amendments can be confusing; it appears that “the City cannot stick to a budget.” But the reality is that Council involvement with amendments indicates tight management, not the reverse. The FY19 budget was built during spring, 2018 and adopted in August, 2018. It is never possible to fully anticipate every grant, every real-world situation 12-18 months out, and we have some new grants that were not anticipated even two months out. We could accommodate that within the budget by adopting a large contingency budget, but we choose not to do that. We build a tight FY19 budget that only includes grants and business activity that we know about or have a good history with. We elect to amend in detail if we win an unplanned grant, etc. This makes it necessary to involve the Council and the Community in a variety of fairly mundane issues because that is what tight management requires. Finally, not everyone understands the difference between budget authority and actual expenditure. We need permission (budget authority) to make an actual expenditure out of a fund, but also permission (budget authority) to move money within the city between funds. So if Fund A needs to make a \$100 expenditure, but needs to get the \$100 cash from Fund B, we need to have \$200 in amendments. We need to move the \$100 from Fund B to Fund A with a \$100 amendment, and then have another amendment to authorize Fund A to actually spend the \$100 on a good or service.

f. **Itemized details.** Each amendment has its own story. Here are the details, organized by reference number from the summary:

- 1) **General Fund 001, Building, \$6,000, unplanned retirement.** The Building department had an unplanned retirement, which is covered by retirement saving reserves.
- 2) **General Fund 001, Engineering, \$5,000, transfer.** The Engineering department will use the sales proceeds of surplus property to transfer funds to Fund 078 for future capital needs.
- 3) **General Fund 001, Non-Departmental, \$4,500,000, transfer.** General Fund Non-Departmental will transfer reserves to a separate fund for the Hill-Vu Settlement payout.
- 4) **General Fund 001, Police, \$5,149, overtime.** The Police department will use reimbursement from a private company to pay for overtime due to election security.
- 5) **General Fund 001, Police, \$345, supplies.** The Police department will use funds received from a Class Action Lawsuit Settlement agreement to purchase supplies.
- 6) **General Fund 001, Police, \$2,580, supplies.** The Police department will use donations made to the K-9 Unit to purchase supplies.

- 7) **General Fund 001, Police, \$838, travel and training.** The Police department will use proceeds from the sale of a donated bus to offset the cost of SWAT training and towing costs.
 - 8) **General Fund 001, Police, \$22,295, vehicle.** The Police department will use ICRMP reimbursement to replace a patrol vehicle that was totaled in an accident.
 - 9) **Street Fund 003, Street, \$19,376, capital improvements.** The Street department will use ITD reimbursement for asphalt for the Gould Street railroad crossing.
 - 10) **Library Fund 007, Library, \$1,000, supplies.** The Library fund will use award money to purchase STEM programming supplies.
 - 11) **Library Fund 007, Library, \$40,000, capital improvements.** The Library fund will use reserves to repair and restore the brickwork of the Carnegie section of the library.
 - 12) **Transit Urban Fund 009, Transit, \$20,000, capital improvements.** The Transit Urban fund will use grant funds and existing City match to build a shelter at the 7th and Sherman Bus Stop.
 - 13) **Science and Environment Fund, Science and Environment, \$20,000, capital improvements.** The Science and Environment fund will use grant funds received from the Idaho Fish and Game for the Watershed Fence project.
 - 14) **Utility Billing Fund 052, Utility Billing, \$46,700, software.** The Utility Billing department will use reserves for WaterSmart installation.
 - 15) **Street Federal Aid Projects Fund 070, Street Federal Aid Projects, \$100,000, capital improvements.** The Street Federal Aid Projects fund will use reserves for the Right-of-Way phase of the Hawthorne/Quinn project.
 - 16) **Police Grant Fund 088, Police Grant, \$1,791, supplies.** The Police Grant fund will use additional Byrne grant funds to purchase general supplies.
- g. **Summary.** The total amount of all amendments is \$4,791,074 breakout by fund is:

Budget Amendments	
Fund	Amount
General Fund	\$ 4,542,207.00
Street Fund	\$ 19,376.00
Library Fund	\$ 41,000.00
Transit Urban Fund	\$ 20,000.00
Science & Environment Fund	\$ 20,000.00
Utility Billing Fund	\$ 46,700.00
Street Federal Aid Projects Fund	\$ 100,000.00
Police Grant Fund	\$ 1,791.00
Total	\$ 4,791,074.00

h. Contacts.

Overall: Ashley Linton-Welsh, Deputy Chief Financial Officer/Deputy Treasurer
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or contact the appropriate department (Building, Non-Departmental, Police, Street, Library, Transit, Science & Environment, Utility Billing and Police Grants)