

Legislation Text

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CC MEETING: July 12, 2016

DATE: July 5, 2016

TO: Leonard Martin, City Manager

FROM: Bob Scott, Assistant City Manager

Consider An **Ordinance Amending The Operating And Capital Budget For The Fiscal Year October 1, 2015 Through September 30, 2016.**

BACKGROUND:

The City Council approved the Operating and Capital Budget for Fiscal Year 2016 on September 15, 2015. To date the following amendments to the budgets have been approved:

1. On October 13, 2015 to provide funding for athletic field light pole replacements,
2. On November 3, 2015 to providing funding for the repair and reopening on the Indian Creek Golf Club Lakes Course,
3. On November 17, 2015 to provide funding for traffic upgrades and surface infrastructure improvements,
4. On January 5, 2016 to provide for funding of a 5th Medic Unit,
5. On January 19, 2016 to provide funding for the repair and reopening on the Indian Creek Golf Club Creek Course, and
6. On February 2, 2016 to provide funding for three additional Police fleet unit replacements.

An additional budget amendment is needed for the following items:

Fire Department Aerial Ladder Truck: The original fleet replacement budget included the replacement of for a Fire Department aerial ladder (Truck 112) in Fiscal Year 2017. However, due to issues with the current truck and the long build time for the truck, this replacement needs to be approved and ordered in Fiscal Year 2016. The purchase price of this unit is \$1,387,643, and the vendor has agreed to a \$200,000 trade-in allowance on the current unit. This replacement will be funded by fund balance in the General Fleet Replacement Fund.

Sprayground: At the June 7, 2016 Council work session, Council provided staff direction regarding the location of the new Sprayground. The current planned location will require an additional \$300,000 above what was funded in the recent bond issue. This amount will be funded from the Strategic Community Reinvestment funds.

In addition to the previous budget amendments, \$350,000 was allocated from the Strategic Community Reinvestment funds for the WinCo site demolition. Including funds carried forward for prior years of \$84,158 and after this budget amendment for the Sprayground, the Strategic Community Reinvestment funds will only have \$9,517 remaining

Meadows Apartments: The City is currently in negotiations for a purchase and sales agreement with the Meadows Apartments. This agreement commits \$2,700,000 for the purchase and a rehabilitation grant. This purchase will be funded through a transfer of excess sales taxes from the General Fund to the General and Public Facilities Capital Budget.

The attached updated fund summaries show the impact of the needed budget amendments.

FINANCIAL IMPLICATIONS:

Amend the Fiscal Year 2016 Operating and Capital Budget making the following changes:

- In the General Fleet Replacement Fund, increase recurring uses of funds by \$1,387,643.
- In the General and Public Safety Capital Budget, decrease the Projected FY 16 Resources Transfer from the General and Administrative Funds and Additional Projects for Strategic Community Reinvestment by \$300,000.
- In the Parks Capital Budget, increase the Projected FY 16 Resources Transfer from the General Fund and Additional Projects for Sprayground by \$300,000.
- In the General Fund, in non-recurring sources of fund increase the Sales Tax and in non-recurring uses of funds increase the transfer for Capital Projects Funds by \$2,700,000.
- In the General and Public Safety Capital Budget, increase the Projected FY 16 Resources Transfer from the General and Administrative Funds and Additional Projects for Meadows Apartments Purchase and Rehabilitation Grant by \$2,700,000.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff desires the City Council to pass the attached ordinance authorizing an amendment to the Fiscal Year 2016 Operating and Capital Budget.