

FY2017 Proposed September Budget Amendments



This document provides detailed information on the proposed FY2017 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 21, 2017 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 FY2017 Budget Ordinance at the conclusion of the regular meeting of September 21, 2017.

This document is the responsibility of the Chief Financial Officer
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MEMORANDUM FOR: Mayor Blad, Council Members & Citizen Stakeholders

FROM: Joyce Stroschein, Chief Financial Officer

SUBJECT: **Proposed FY17 September Budget Amendments**

DATE: September 1, 2017

Draft

This is the proposed document to include in Council packets and provide to the public.

1. **FOR INFORMATION.**

2. **Purpose.** To provide information regarding proposed FY17 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 won 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 ordinance amendment that could revise some budgets upwards.

b. **Summary:**

FY 2017 Proposed September Budget Amendments						
Ref #	Line #	Description	Fund	Amount	Source of \$	Notes
1	001-1000-421-63-01	Expenses related to officers attending the ICADD Conference	General	\$ 1,218.00	State of Idaho Grant	Grant received to allow officers to attend the ICADD conference for school resource officers
2	001-1000-421-63-01	Expenses related to officers attending the DRE Conference	General	\$ 2,042.00	State of Idaho Grant	Grant received to allow officers to attend the DRE Conference
3	001-1000-421-63-01	Expenses to assist in the instructing a DRE training	General	\$ 504.00	State of Idaho Grant	Grant received to allow the assistance in instructing a DRE training
4	001-1301-500-80-04	Costs related to the development of the Creekside Bike Stop	General	\$ 10,300.00	Donations	Received donations to develop the Creekside Bike Stop
5	003-2001-430-33-03	Expenses related to motor vehicle repairs due to the excessive winter operations	Street	\$ 30,000.00	County Road and Bridge revenues in excess of budget plan	Use of excess Bannock County Road and Bridge revenues for motor vehicle repairs due to excessive winter operations
6	003-2001-430-40-99	The FEMA study was planned and budgetd in FY 2016 - completed in FY 2017	Street	\$ 45,000.00	County Road and Bridge revenues in excess of budget plan	Use of excess Bannock County Road and Bridge revenues for the completion of the FEMA Study in FY 2017
7	003-2001-430-53-06	Expenses related to the Kraft Pond Abatement	Street	\$ 40,000.00	County Road and Bridge revenues in excess of budget plan	Use of excess Bannock County Road and Bridge revenues related to landfill charges and fuel expenses for the clean up of Kraft Pond
8	003-2001-430-33-07	Expenses for repair and maintenance equipment supplies	Street	\$ 35,000.00	County Road and Bridge revenues in excess of budget plan	Use of excess Bannock County Road and Bridge revenues related to repair and maintenance equipment supplies
9	004-1304-500-82-02	Disc Golf Course development at Mink Creek Nordic Center	Recreation	\$ 16,800.00	Portneuf Health Trust Donation	Donation to develop Disc Golf Course at the Mink Creek Nordic Center

FY 2017 Proposed September Budget Amendments						
Ref #	Line #	Description	Fund	Amount	Source of \$	Notes
10	004-1313-453-40-99	Cost associated with Municipal Band events	Recreation	\$ 300.00	Donations	Received donations to assist with Municipal Band events
11	006-9902-500-82-02	Airport Terminal roof repair	Airport	\$ 57,309.00	Use of reserves	Use of excess reserves to repair the Airport Terminal Roof
12	006-9902-472-11-01	Overtime related to excessive winter operations	Airport	\$ 8,500.00	Use of reserves	Use of excess reserves for the overtime expenses related to excessive winter operations
13	017-1700-402-40-99	Stormwater Model enhanced scope of project	Science & Environment	\$ 40,000.00	Use of reserves	In January staff modified the scope of work on the Stormwater Model service agreement using excess reserves
14	035-3501-426-11-06	Expenses related to call volume and transports	Ambulance	\$ 50,000.00	Bannock County Contract - Excess revenue	Use of excess revenues and covered by contract for the additional overtime expenses related to call volume and transports
15	061-6801-510-90-01	Refinancing of Water Revenue Bond 2008	Water Debt Service	\$ 6,155,000.00	Refinancing	The principal portion of the original debt in refinancing the revenue bond
16	061-6801-510-90-02	Refinancing of Water Revenue Bond 2008	Water Debt Service	\$ 109,591.00	Refinancing	The interest related to the refinancing of the original debt
17	061-6801-510-90-03	Refinancing of Water Revenue Bond 2008	Water Debt Service	\$ 54,500.00	Refinancing	The bond costs related to the refinancing of the original water revenue bond.
18	071-6002-500-80-01	Expenses related to the local roads project for the Northgate	Street Special Funds	\$ 800,000.00	Bannock County contribution and transfers from Street	Use of Bannock County and City of Pocatello funds for expenses related to the local roads project for the Northgate Interchange
19	072-6010-500-82-02	Late execution of AIP grant projects delayed in FY 2016	Airport Construction	\$ 2,609,000.00	FAA Grants	FY 2016 AIP grant projects were delayed in execution until FY 2017
				\$ 10,065,064.00		

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

August 30, 2017 Notice sent to Idaho State Journal (ISJ)
September 6, 2017 Public notice #1 published
September 13, 2017 Public notice #2 published
September 14, 2017 Council Study Session review
September 21, 2017 Public Hearing and consider amended ordinance

e. **Further amendments.** This is the final opportunity to amend the budget for fiscal year 2017.

f. **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 FY17 budget was built during spring, 2016 and adopted in August, 2016. 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 FY17 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.

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

- 1) **General Fund 001, Police, \$1,218, grant for training.** The Police Department received a grant for officers to attend the ICADD conference for school resource officers.
- 2) **General Fund 001, Police, \$2,402, grant for training.** The Police Department received a grant for per diem and lodging costs to attend the DRE School.
- 3) **General Fund 001, Police, \$504, grant for training.** The Police Department received a grant to allow the assistance in instructing a DRE training.
- 4) **General Fund 001, Parks, \$10,300, donation for Creekside Bike Stop.** The Parks Department received a donation to facilitate the development of the Creekside Bike Stop.
- 5) **Street General Fund 003, Streets, \$30,000, motor vehicle repairs.** The Street Department received excess Road and Bridge revenues for additional motor vehicle repairs due to excessive winter operations.
- 6) **Street Fund 003, Streets, \$45,000, for the FEMA Study.** The Street department received excess Road and Bridge revenues for the completion of the FEMA study completed in FY 2017.
- 7) **Street Fund 003, Streets, \$40,000, for abatement of Kraft Pond.** The Street department received excess Road and Bridge revenues for additional expenses related to landfill charges and fuel expenses for the cleanup of Kraft Pond.
- 8) **Street Fund 003, Streets, \$35,000, for repair and maintenance equipment supplies.** The Street Department received excess Road and Bridge revenues for expenses related to repair and maintenance equipment supplies.
- 9) **Recreation Fund 004, Recreation, \$16,800, donation for development of the Disc Golf Course.** The Recreation Department received a donation to develop a Disc Golf Course at the Mink Creek Nordic Center.
- 10) **Recreation Fund 004, Recreation, \$300, donation for the Municipal Band.** The Recreation Department received a donation for the Municipal Band Concerts.
- 11) **Airport Fund 006, Airport, \$57,309, repairs to the terminal roof.** The Airport Department will use excess reserves to repair the terminal roof.

- 12) **Airport Fund 006, Airport, \$8,500, overtime expenses related to excessive winter operations.** The Airport Department will use excess reserves for the additional overtime related to excessive winter operation.
- 13) **Science and Environment Fund 017, Science and Environment, \$40,000, for expanded scope of the Storm water Model service agreement.** The Science and Environment Department will use excess reserves to modify the scope of work on the Storm Water Model service agreement.
- 14) **Ambulance Fund 035, Ambulance, \$50,000, for overtime related to call volume and transports.** The Bannock County Ambulance District contract will provide for additional overtime expenses created from call volume and transports.
- 15) **Water Debt Service Fund 061, Water Debt Service, \$6,155,000, refinance the 2008 Water Revenue Bond.** The Water Department refinanced the 2008 Revenue Bond. This authority allows for the payoff of the principal portion of the original debt.
- 16) **Water Debt Service Fund 061, Water Debt Service, \$109,591, refinance the 2008 Water Revenue Bond.** The Water Department refinanced the 2008 Revenue Bond. This authority allows for the payoff of the interest portion of the original debt.
- 17) **Water Debt Service Fund 061, Water Debt Service, \$54,500, refinance the 2008 Water Revenue Bond.** The Water Department refinanced the 2008 Revenue Bond. This authority allows for the costs related to the refinancing.
- 18) **Street Special Projects Fund 071, Street Special Projects, \$800,000, revenues from the Street Fund and Bannock County for local road development of the Northgate interchange.** The Street Special Projects Fund will receive a transfer from the Street Fund and a contribution from Bannock County for the development of the local road to the Northgate Interchange.
- 19) **Airport Construction Fund 072, Airport Construction, \$2,609,000, grant revenues for AIP projects.** The Airport Construction Fund was delayed until fiscal year 2017 to execute FAA grant projects. This authority will allow completion of these projects in fiscal year 2017.

h. **Summary.** The total amount of all amendments is \$10,065,064 breakout by fund is:

Budget Amendments	
Fund	Amount
General Fund	\$ 14,064.00
Street Fund	\$ 150,000.00
Recreation Fund	\$ 17,100.00
Airport Fund	\$ 65,809.00
Science and Environment	\$ 40,000.00
Ambulance Fund	\$ 50,000.00
Water Debt Service Fund	\$ 6,319,091.00
Street Special Projects Fund	\$ 800,000.00
Airport Construction Fund	\$ 2,609,000.00
Total	\$ 10,065,064.00

i. **Contacts.**

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or contact the appropriate department (Police and Finance).