

# FY2018 Proposed December Budget Amendments



This document provides detailed information on the proposed FY2018 December budget amendments for the City of Pocatello.

A public hearing on the proposed budget amendments will be held at 6:00 pm on Thursday, December 21, 2017 in the Council Chambers at City Hall, 911 North 7<sup>th</sup> Avenue, Pocatello, Idaho 83201.

The City Council is scheduled to subsequently consider an amendment to the FY2018 Budget Ordinance at the conclusion of the regular meeting of December 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 FY18 December Budget Amendments**

DATE: December 5, 2017

1. **FOR INFORMATION.**

2. **Purpose.** To provide information regarding proposed FY18 December 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 first ordinance amendment that could revise some budgets upwards.

b. **Summary:**

FY 2018 Proposed September Budget Amendments						
Ref #	Line #	Description	Fund	Amount	Source of \$	Notes
1	001-0100-411-64-01	Expense to donate to a school or public park	General	\$ 1,000.00	Blue Cross Foundation	Grant received for a donation by the Mayor to a school or public park
2	001-0100-411-97-02	Refund of excess monies received for a public records	General	\$ 4,403.00	RSCI Group and Kesler & Rust PC	Authority to refund monies received in excess of the actual cost of the records request
3	001-1000-421-40-99	Expenses related to an impound of an abandoned vehicle	General	\$ 1,855.00	Auction of vehicle impounded	Monies received from the auction cover the cost of the impounded vehicle
4	001-1200-500-82-04	Purchase surgical equipment for the Animal Shelter	General	\$ 40,000.00	Private Donation for surgical	Received donation to facilitate the purchase of equipment for a surgical room at the Animal Shelter
5	001-1301-451-32-99	Purchase of Christmas lights for Caldwell Park	General	\$ 9,991.00	Grant from Neighborworks	Received a grant donation for Christmas lights at Caldwell Park
6	005-9901-500-82-05	Use of reserves for the purchase of a flatbed truck authorized in FY 2017	Cemetery	\$ 35,000.00	Cemetery Fund Reserves	Use of reserves in FY 2017 for the purchase of a flatbed truck. The transaction was not completed until FY 2018
7	006-9902-500-82-02	Retainage expenses for the roofing repair for the terminal upper roof executed in FY 2017	Airport	\$ 2,000.00	Airport Fund Reserves	Use of reserves in FY 2017 for the repair of the terminal upper roof. The final payment after the certification of the roof occurred in FY 2018
8	007-9903-500-82-02	Expenses to upgrade the Library Facility lighting to energy efficient fixtures	Library	\$ 88,888.00	Library Fund Reserves	Use of reserves in FY 2017 for the upgrade of the lighting fixtures in the Library. The project was delayed until FY 2018

Ref #	Line #	Description	Fund	Amount	Source of \$	Notes
9	008-2601-500-82-02	Repair sink hole PRT facility	Transit Rural	\$ 25,000.00	Grants and Reserves	Repair of sink hole near the maintenance shop. Use of reserves for match with State grants.
10	008-2601-500-82-04	Purchase wash bay equipment, fork lift, radio, tire mounting & balancing, man lift, computer upgrade	Transit Rural	\$ 107,500.00	Grants and Reserves	Purchase of wash bay equipment, radio equipment, tire mounting and balancing equipment, man lift, maintenance computer upgrade. Use of grants and fund reserves for match.
11	008-2601-500-82-05	Purchase of 2 cutaway buses and one accessible van in Cache Valley	Transit Rural	\$ 340,000.00	Grants and Reserves	Purchase of 2 cutaway buses and one accessible van to be used in Cache Valley to mitigate air quality non-attainment
12	009-2401-500-82-02	Bus stop improvements for 7th and Sherman	Transit Urban	\$ 250,000.00	Use of Grants and Reserves	Improvements to 7th and Sherman bus stop, ADA ramps, sidewalks, Stormwater features, shelter, lighting, and signage
13	009-2501-500-82-05	Replace 3 low-floor buses for demand response	Transit Urban	\$ 420,000.00	Grants and Reserves	Use of grants and reserves to purchase 3 low-floor buses for demand response
14	009-2404-471-40-05	Long range plan consulting contract (50% of Cost)	Transit Urban	\$ 37,500.00	Grants and Reserves	Use of grants and reserves for a consulting contract for a long range plan required by Federal Transit Administration
15	009-2504-471-40-05	Long range plan consulting contract (50% of Cost)	Transit Urban	\$ 37,500.00	Grants and Reserves	Use of grants and reserves for a consulting contract for a long range plan required by Federal Transit Administration
16	030-3001-500-82-02	Expenses related to facility issues	Sanitation	\$ 1,500,000.00	Use of Reserves in Sanitation	Use of reserves to address facility issues at the Sanitation Department
17	032-3012-500-82-05	Purchase of a camera van budgeted in FY 2017 but delayed until FY 2018	Water Pollution Control	\$ 281,242.00	WPC Reserves	Purchase of a camera van from fund reserves. Budgeted in FY 2017, but execution was delayed due to the phosphorus project
18	070-6001-425-40-02	Expenses related to the Center Street Underpass project (Final Design CH2M)	Street Federal Aid Projects	\$ 26,000.00	Street Federal Aid Projects Reserves	Authority for expenses to continue project development for the Center Street Underpass Project for final design with CH2M
19	077-7701-500-82-05	Purchase a used aerial bucket truck with Street Capital Savings	Street Equipment Capital	\$ 75,000.00	Street Equipment Capital Reserves	Authority to purchase a used aerial bucket truck with Street Capital Savings
20	078-6000-500-82-04	Authority to expend per Council direction the Capital Contingency Savings from FY 2017	Capital Acquisition	\$ 279,942.00	Capital Acquisition Reserves	Authority to expend the capital acquisition savings from FY 2017 upon direction from the City Council
21	078-6000-500-82-02	Use of reserves to facilitate the remodel of the Engineering/Planning departments	Capital Acquisition	\$ 170,000.00	Capital Acquisition Reserves	Authority to expend the reserves saved for the remodel of the Planning/Engineering departments in City Hall
22	078-6000-520-95-03	Revenues reserved for the purchase of capital equipment for Transit Urban	Capital Acquisition	\$ 165,663.00	Capital Acquisition Reserves	Authority to expend match reserves for capital equipment and vehicles for the Transit Urban Operations
23	078-6000-500-80-03	Expenses related to the development of the Creekside Bike Stop	Capital Acquisition	\$ 13,473.00	Donations from FY 2017	Donations received in FY 2017 for the development of the Creekside Bike Stop
<b>Total Amendments</b>				<b>\$ 3,911,957.00</b>		

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

November 29, 2017	Notice sent to Idaho State Journal (ISJ)
December 6, 2017	Public notice #1 published
December 13, 2017	Public notice #2 published
December 14, 2017	Council Study Session review
December 21, 2017	Public Hearing and consider amended ordinance

d. **Further amendments.** There will be two more opportunities to amend the budget in June and September of the fiscal year.

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 FY18 budget was built during spring, 2017 and adopted in August, 2017. 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 FY18 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, Mayor & Council, \$1,000, contributions.** The Mayor & Council department will make a contribution to a school or public park and will be funded by a grant from the Mayor’s Walking Challenge.

2) **General Fund 001, Mayor & Council, \$4,403, refunds and reimbursements.** The Mayor & Council department will refund the excess monies received as payment for the cost of records requests made.

3) **General Fund 001, Police, \$1,855, professional services.** The Police Department had expenses related to an abandoned vehicle which are covered by the auction proceeds from the sale of the abandoned vehicle.

4) **General Fund 001, Animal Shelter, \$40,000, capital equipment.** The Animal Shelter received donations for the purchase of surgical equipment.

5) **General Fund 001, Parks, \$9,991, supplies.** The Park’s Department received a donation to purchase Christmas lights for Caldwell Park.

- 6) **Cemetery Fund 005, Cemetery, \$35,000, equipment.** The Cemetery Department will use reserves to purchase a flatbed truck which was initially authorized in FY 2017.
- 7) **Airport Fund 006, Airport, \$2,000, roof repair.** The Airport Department will pay the final retainage expenses related to the roofing repair for the terminal upper roof executed in FY 2017.
- 8) **Library Fund 007, Library, \$88,888, lights upgrade.** The Library will use reserves for expenses related to the upgrade to energy efficient lighting in the Library facility. This request was initially approved in FY 2017.
- 9) **Transit Rural Fund 008, Transit Rural, \$25,000, State Grant.** The Transit Rural Department has grants and reserves available to repair a sink hole at the PRT facility.
- 10) **Transit Rural Fund 008, Transit Rural, \$107,500, State Grant.** The Transit Rural Department has grants and reserves available to purchase wash bay equipment, fork lift, radios, tire mounting & balancing, man lift, and computer upgrade.
- 11) **Transit Rural Fund 008, Transit Rural, \$340,000, State Grant.** The Transit Rural Department has grants and reserves available to purchase 2 cutaway buses and one accessible van in Cache Valley.
- 12) **Transit Urban Fund 009, Transit Urban, \$250,000, Federal Grant.** The Transit Urban Department has grants and reserves available to develop the bus stop improvements for 7<sup>th</sup> and Sherman.
- 13) **Transit Urban Fund 009, Transit Urban, \$420,000, Federal Grant.** The Transit Urban Department has grants and reserves available to purchase 3 low-floor buses for demand response.
- 14) **Transit Urban Fund 009, Transit Urban, \$37,500, Federal Grant.** The Transit Urban Department has grants and reserves available to for a consulting contract for long range planning for fixed routes.
- 15) **Transit Urban Fund 009, Transit Urban, \$37,500, Federal Grant.** The Transit Urban Department has grants and reserves available for a consulting contract for long range planning for demand response.
- 16) **Sanitation Fund 030, Sanitation, \$1,500,000, use of reserves.** The Sanitation Fund is requesting use of reserves for expenses related to facility issues.
- 17) **Water Pollution Control Fund 032, WPC, \$281,242, vehicle purchase.** The Water Pollution Control Fund is requesting use of reserves to purchase a camera van which was budgeted in FY 2017, but the purchase was delayed until FY 2018.
- 18) **Street Federal Aid Projects Fund 070, Street Federal Aids Projects, \$26,000, use of reserves for the Center Street Underpass Project.** The Street Federal Aids Projects Fund has reserves available for the expenses related to the Center Street Underpass Project.
- 19) **Street Capital Equipment Fund 077, Street Capital Equipment, \$75,000, use of capital reserves.** The Street Capital Equipment Fund has reserves available for the purchase of an aerial bucket truck.

20) **Capital Acquisition Fund 078, \$279,942, reserves for capital purchase.** The request for authority to expend per City Council direction the Capital Contingency savings from FY 2017.

21) **Capital Acquisition Fund 078, \$170,000, reserves for facility remodel.** The request to use capital savings for the remodel of the Engineering/Planning Departments at City Hall.

22) **Capital Acquisition Fund 078, \$165,663, reserves for capital purchase.** This amendment requests a transfer of funds to the Transit Urban Fund for the match required on the requested capital purchases.

23) **Capital Acquisition Fund 078, \$13,473, reserves for Creekside Bike Stop.** This amendment provides authority for expenses related to the continued development of the Creekside Bike Stop.

g. **Summary.** The total amount of all amendments is \$3,911,957.00 breakout by fund is:

<b>Budget Amendments</b>	
<b>Fund</b>	<b>Amount</b>
General Fund	\$ 57,249.00
Cemetery Fund	\$ 35,000.00
Airport Fund	\$ 2,000.00
Library Fund	\$ 88,888.00
Transit Rural Fund	\$ 472,500.00
Transit Urban Fund	\$ 745,000.00
Sanitation Fund	\$ 1,500,000.00
Water Pollution Control Fund	\$ 281,242.00
Street Federal Aid Projects Fund	\$ 26,000.00
Street Equipment Capital Fund	\$ 75,000.00
Capital Acquisition Fund	\$ 629,078.00
<b>Total</b>	<b>\$ 3,911,957.00</b>

**h. Contacts.**

Overall: Joyce Stroschein, Chief Financial Officer  
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or contact the appropriate department (Mayor& Council, Police, Animal Shelter, Parks, Cemetery, Airport, Library, Transit, Sanitation, Water Pollution Control, Street, Public Works, and Finance).