

FY2019 Proposed June Budget Amendments



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

A public hearing on the proposed budget amendments will be held at 6:00 pm on Thursday, July 11, 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 July 11, 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 June Budget Amendments**

DATE June 14, 2019

1. **FOR INFORMATION.**

2. **Purpose.** To provide information regarding proposed FY19 June 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 second ordinance amendment that could revise some budgets upwards.

b. **Summary:**

FY 2019 Proposed June Budget Amendments						
Ref #	Line #	Description	Fund	Amount	Source of \$	Notes
1	001-0100-411.63-01	Capital Christmas Tree Event	General Fund	\$ 750.00	Sponsorship	Refreshments for the Capital Christmas Tree Event sponsored by Citizens Community Bank
2	001-0100-411.63-01	AGRIP Conference	General Fund	\$ 271.00	Reimbursement	ICRMP reimbursed the City for purchasing airline tickets to AGRIP Conference
3	001-0100-411.63-01	AIC Youth Conference	General Fund	\$ 50.00	Donation	Southeast Idaho Council of Governments donation for Youth Council to attend the AIC Youth
4	001-0100-411.63-01	AGRIP Conference	General Fund	\$ 852.00	Reimbursement	ICRMP reimbursed the City for hotel costs to attend AGRIP Conference
5	001-0100-411.63-01	Coffee with the Mayor Event	General Fund	\$ 193.00	Sponsorship	Portneuf Health Trust sponsored the March 2019 Coffee with the Mayor Event
6	001-0500-422.13-02	Retirement not budgeted for	General Fund	\$ 33,799.00	Retirement Savings Fund Reserves	Use of Retirement Savings Fund reserves set aside for this specific retirement
7	001-1000-421.32-07	DNA Analysis	General Fund	\$ 4,000.00	Reimbursement	Reimbursement from Rocky Mountain Information Network for DNA Analysis on an investigation

FY 2019 Proposed June Budget Amendments

Ref #	Line #	Description	Fund	Amount	Source of \$	Notes
8	001-1100-423.11-06	Possible Deployments	General Fund	\$ 500,000.00	Reimbursement	Possible deployments will be 100% reimbursed by IDL or other sources
9	001-1100-423.13-01	Retirement in excess of budget	General Fund	\$ 5,242.00	Retirement Savings Fund Reserves	Use of Retirement Savings Fund reserves set aside for this specific retirement
10	001-1100-423.31-02	Books for Fire Investigation Course	General Fund	\$ 1,800.00	Reimbursement from course fees	Use of course fees for books for Fire Investigation Course
11	001-1100-423.31-99	Utilize Allstate donations from prior years for various expenditures	General Fund	\$ 11,467.00	Donations from Allstate	Utilize Allstate donations received in FY2017 and FY2018 for various department expenditures
12	001-1100-423.31-99	Backpacks for Fire Prevention	General Fund	\$ 1,602.00	License plate grant	Use License plate grant fund for backpacks for Fire Prevention
13	001-1100-423.40-12	Fire Prevention Training	General Fund	\$ 3,830.00	Fire Investigation course fees	Use Fire Investigation course fees for Fire Prevention Training for Fire employees
14	001-1100-423.40-99	Fire Prevention Jeep customization	General Fund	\$ 8,200.00	Multiple donations	Use donations to customize the Fire Prevention Jeep
15	001-1100-423.63-01	Refreshments for Fire Investigation Course	General Fund	\$ 200.00	Fire Investigation course fees	Refreshments for Fire Investigation Course paid for with course fees
16	003-2001-430.33-02	Electrical items for signals	Street Fund	\$ 50,000.00	Street Fund Reserves	Per Council direction, use Street Fund reserves to pay for electrical items needed for signals
17	003-2001-430.33-02	Pole Line and Eldredge accident expenses	Street Fund	\$ 21,850.00	ICRMP Reimbursement	Reimbursement from ICRMP for expenses associated with an accident on Pole Line and Eldredge
18	003-2001-430.52-01	Stormwater project on Donrich	Street Fund	\$ 100,000.00	Street Fund Reserves	Use of Street Fund reserves for stormwater project on Donrich
19	003-2001-520.95-03	Transfer to Street Federal Aid Projects Fund to pay balance due on South Valley Road	Street Fund	\$ 699,451.00	Street Fund Reserves	Use of Street Fund reserves to transfer funds to Street Federal Aid Projects fund to pay remaining balance due to ITD for the South Valley Road project.
20	005-9901-520.95-03	Transfer to Capital Improvement Fund for savings for Mountain View Cemetery Mainline replacement	Cemetery Fund	\$ 110,000.00	Cemetery Fund Reserves	Per Council direction, use of Cemetery Fund reserves to transfer funds to Capital Improvement Fund for the purpose of building savings for future Mountain View Cemetery Mainline replacement
21	006-9902-472.33-02	Replacement of terminal and shop lights to LED bulbs	Airport Fund	\$ 13,000.00	Rebate	Idaho Power Incentive Rebate to switch lighting to LED
22	006-9902-472.40-99	Software package upgrade	Airport Fund	\$ 7,000.00	Airport Fund Reserves	Use of Airport Fund reserves to pay for a specialist to install upgraded software to run Windows 10
23	016-0000-500.80-03	City Hall parking lot storm water improvements	Emergency Repair Fund	\$ 100,000.00	Emergency Repair Fund Reserves	Use of Emergency Repair Fund reserves to pay for storm water improvements needed to the City Hall parking lot
24	030-3001-500.82-02	Wash/Weld bay remodel project	Sanitation Fund	\$ 295,960.00	Sanitation Fund Reserves	Remodel was approved in FY19 Budget presentation, but did not get added to the budget

FY 2019 Proposed June Budget Amendments

Ref #	Line #	Description	Fund	Amount	Source of \$	Notes
25	030-3001-500.82-02	Wash/Weld bay remodel project deficiency	Sanitation Fund	\$ 24,502.00	Sanitation Fund Reserves	Use of Sanitation reserves to cover deficient amount to complete the Wash/Weld Bay remodel project
26	031-3008-500.80-05	ITD Yellowstone water main project	Water Fund	\$ 533,675.00	Water Fund Reserves	Use of Water Fund reserves to pay ITD for the completion of the Yellowstone water main project
27	032-3011-500.80-05	ITD Yellowstone sewer improvements	WPC Fund	\$ 275,084.00	WPC Fund Reserves	Use of WPC Fund reserves to pay ITD for the completion of the Yellowstone sewer improvements
28	032-3011-500.80-99	Griffith Road Sanitary Sewer Improvement Project	WPC Fund	\$ 271,317.00	WPC Fund Reserves	Use of WPC Fund reserves to cover the increased cost of the Griffith Road Sanitary Sewer Improvement Project
29	032-3013-500.82-05	10-Wheel Tractor Cab, Chassis and Tanker Trailer	WPC Fund	\$ 206,425.00	WPC Fund Reserves	Use of reserves to pay for 10-Wheel Tractor Cab, Chassis and Tanker Trailer budgeted for in FY18, but delivered in FY19
30	052-5200-440.40-12	Meter reading equipment software upgrade	Utility Billing Fund	\$ 12,000.00	Utility Billing Fund Reserves	Use of Utility Billing Fund reserves to upgrade meter reading equipment software
31	070-6001-500.80-01	South Valley Road final payment to ITD	Street Federal Aid Projects Fund	\$ 699,451.00	Transfer from Street Fund	Transfer from Street Fund for final payment to ITD for South Valley Road Project
32	952-9703-520.95-03	Retirement payoff in excess of budgeted amount	Retirement Savings Fund	\$ 5,242.00	Retirement Savings Fund Reserves	Use of Retirement Savings Fund reserves set aside for this specific retirement
33	952-9703-520.95-03	Retirement payoff not budgeted for	Retirement Savings Fund	\$ 39,799.00	Retirement Savings Fund Reserves	Use of Retirement Savings Fund reserves set aside for this specific retirement
	Total Amendments			\$ 4,037,012.00		

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

June 13, 2019	Council Work Session review
June 14, 2019	Notice sent to Idaho State Journal (ISJ)
June 19, 2019	Public notice #1 published
June 26, 2019	Public notice #2 published
July 11, 2019	Public Hearing and consider amended ordinance

d. **Further amendments.** This is the second 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, Mayor & Council, \$750, food expenses.** The Mayor & Council department paid for refreshments for the Capital Christmas Tree Event. These expenses were sponsored by Citizens Community Bank.
- 2) **General Fund 001, Mayor & Council, \$271, travel and training.** The Mayor & Council department paid for airline tickets to the AGRIP Conference and ICRMP reimbursed this purchase.
- 3) **General Fund 001, Mayor & Council, \$50, travel and training.** The Mayor & Council department paid for Youth Council to attend the AIC Youth Conference and the Southeast Idaho Council of Governments made a donation to help cover these costs.
- 4) **General Fund 001, Mayor & Council, \$852, travel and training.** The Mayor & Council department paid for hotel costs to attend the AGRIP Conference and ICRMP reimbursed this purchase.
- 5) **General Fund 001, Mayor & Council, \$193, food expenses.** The Mayor & Council department paid for refreshments for the Coffee With the Mayor Event. These expenses were sponsored by the Portneuf Health Trust.

- 6) **General Fund 001, Building, \$33,799, retirement.** The Building department had an unplanned retirement, which is covered by retirement saving reserves.
- 7) **General Fund 001, Police, \$4,000, supplies.** The Police department will purchase supplies using a reimbursement from Rocky Mountain Information Network for DNA analysis on an investigation.
- 8) **General Fund 001, Fire, \$500,000, overtime.** The Fire department will be reimbursed from the State of Idaho or other sources for actual personnel costs of units that are requested to be deployed.
- 9) **General Fund 001, Police, \$5,242, retirement.** The Fire department had a retirement in excess of the budgeted amount. This expense is covered by retirement savings reserves.
- 10) **General Fund 001, Fire, \$1,800, supplies.** The Fire department will use course fees collected from a Fire Investigation course to pay for books needed for the course.
- 11) **General Fund 001, Fire, \$11,467, supplies.** The Fire department has received donations from Allstate and will use this to pay for customization of the Fire Prevention Jeep, Junk the Juniper, 360 VR Camera, Round Me Subscription, and Fire Prevention/Outreach supplies.
- 12) **General Fund 001, Fire, \$1,602, supplies.** The Fire department received a License plate grant and will use these funds to purchase backpacks for Fire Prevention.
- 13) **General Fund 001, Fire, \$3,830, training.** The Fire department will use course fees collected from a Fire Investigation course to pay for Fire Prevention training for employees.
- 14) **General Fund 001, Fire, \$8,200, professional services.** The Fire department received multiple donations to customize the Fire Prevention Jeep.
- 15) **General Fund 001, Fire, \$1,800, food expense.** The Fire department will use course fees collected from a Fire Investigation course to pay for refreshments during the course.
- 16) **Street Fund 003, Street, \$50,000, supplies.** The Street department will use reserves to pay for electrical items needed for signals.
- 17) **Street Fund 003, Street, \$21,850, supplies.** The Street department received a reimbursement from ICRMP for expenses associated with an accident on Pole Line and Eldredge.
- 18) **Street Fund 003, Street, \$100,000, repairs and maintenance.** The Street department will use reserves to pay for a stormwater project on Donrich.
- 19) **Street Fund 003, Street, \$699,451, transfer.** The Street department will use reserves to transfer funds to the Street Federal Aid Projects fund to pay the remaining balance due to ITD for the South Valley Road Project.
- 20) **Cemetery Fund 005, Cemetery, \$110,000, transfer.** Cemetery will use reserves to transfer funds to the Capital Improvement fund for the purpose of building savings for future Mountain View Cemetery Mainline replacement.

- 21) **Airport Fund 006, Airport, \$13,000, supplies.** The Airport received a rebate from Idaho Power to help cover the cost of the replacement of terminal and shop lights to LED bulbs.
- 22) **Airport Fund 006, Airport, \$7,000, professional services.** The Airport will use reserves to pay for a specialist to install upgraded software needed to run Windows 10.
- 23) **Emergency Repair Fund, Emergency Repair, \$100,000, capital improvements.** The Emergency Repair fund will use reserves to pay for stormwater improvements needed in the City Hall parking lot.
- 24) **Sanitation Fund 030, Sanitation, \$295,960, capital improvements.** The Sanitation fund will use reserves to complete a Wash/Weld bay remodel project.
- 25) **Sanitation Fund 030, Sanitation, \$24,502, capital improvements.** The Sanitation fund will use reserves to cover the additional amount needed to complete the Wash/Weld bay remodel project.
- 26) **Water Fund 031, Water, \$533,675, capital improvements.** The Water department will use reserves to pay ITD for the completion of the Yellowstone water main project.
- 27) **Water Pollution Control Fund 032, Water Pollution Control, \$271,317, capital improvements.** The Water Pollution Control fund will use reserves to pay ITD for the completion of the Yellowstone sewer improvements.
- 28) **Water Pollution Control Fund 032, Water Pollution Control, \$206,425, capital improvements.** The Water Pollution Control fund will use reserves to cover the increased cost of the Griffith Road Sanitary Sewer Improvement project.
- 29) **Water Pollution Control Fund 032, Water Pollution Control, \$275,084, capital improvements.** The Water Pollution Control fund will use reserves to pay for a 10-Wheel Tractor Cab, Chassis and Tanker Trailer budgeted for in FY18, but delivered in FY19.
- 30) **Utility Billing Fund 052, Utility Billing, \$12,000, equipment.** The Utility Billing department will use reserves to upgrade their meter reading equipment software.
- 31) **Street Federal Aid Projects Fund 070, Street Federal Aid Projects, \$699,451, capital improvements.** The Street Federal Aid Projects fund will use funds transferred from the Street fund for the final payment to ITD for the South Valley Road project.
- 32) **Retirement Savings Fund 952, Retirement Savings, \$5,242, transfer.** The Retirement Savings Fund will use reserves for a retirement in excess of the budgeted amount, which needed funds and authority.
- 33) **Retirement Savings Fund 952, Retirement Savings, \$39,799, transfer.** The Retirement Savings Fund will use reserves for an unplanned retirement, which needed funds and authority.

g. **Summary.** The total amount of all amendments is \$4,037,012.00 breakout by fund is:

Budget Amendments	
Fund	Amount
General Fund	\$ 572,256.00
Street Fund	\$ 871,301.00
Cemetery Fund	\$ 110,000.00
Airport Fund	\$ 20,000.00
Emergency Repair Fund	\$ 100,000.00
Sanitation Fund	\$ 320,462.00
Water Fund	\$ 533,675.00
Water Pollution Control Fund	\$ 752,826.00
Utility Billing Fund	\$ 12,000.00
Street Federal Aid Projects Fund	\$ 699,451.00
Retirement Savings Fund	\$ 45,041.00
Total	\$ 4,037,012.00

h. **Contacts.**

Overall: Ashley Linton-Welsh, Deputy Chief Financial Officer/Deputy Treasurer
 (208) 234-6219 or email: alinton@pocatello.us

or contact the appropriate department (Mayor & Council, Police, Fire, Street, Cemetery, Airport, Sanitation, Water, Water Pollution Control, and Utility Billing)