



## STAFF REPORT

**DATE:** September 5, 2017  
**TO:** Ronald L. Olson, City Manager  
**FROM:** Jonathan Locke, Executive Director of Finance  
**SUBJECT:** Budget Amendment

### **BACKGROUND AND FINDINGS:**

This ordinance will authorize the recommended budget amendment to fund shortfalls in Vehicle Repair and Maintenance account in Streets and fund slurry seal in the Street Maintenance account.

Due to unforeseen circumstances, an additional \$74,693 is needed for vehicle, equipment and machinery repairs in Streets due to aging fleet. In addition, the Street Division would like to fund \$130,307 in Street Maintenance for slurry seal.

### **THE ALTERNATIVES CONSIDERED:**

1. Reprogram funding from the department's operational accounts. Due to recent budget cuts, there is no excess funding available.
2. Utilize funding available within General Fund accounts via a budget amendment.

### **Which alternative is recommended? Why?**

Alternative 2 is recommended. Funding is currently available within the General Fund.

### **CONFORMITY TO CITY POLICY:**

City Charter Section 71. The city manager may at any time transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditures within an office, department or agency. At the request of the city manager, the council may by ordinance transfer any unencumbered appropriation balance or portion thereof from one office, department or agency to another.

### **FINANCIAL IMPACT:**

#### **What is the amount of the expenditure in the current fiscal year? For future years?**

The total expenditure in FY 2017 is \$205,000. There is no future impact related to this budget amendment.

**Is this a one-time or recurring expenditure?**

This is a one-time expenditure.

**Is this expenditure budgeted?**

The vehicle and machinery repair and maintenance accounts were funded in the FY 2017 Budget, however the unforeseen repairs could not have been anticipated. The repairs are the result of an aging fleet. The additional funding for slurry seal is a request to address street maintenance needs.

**If not, where will the money come from?**

There are currently funds available in Police Salary accounts due to salary lag that can cover this additional cost.

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

No, the budget amendment will provide the available funding.

**RECOMMENDATION:**

Staff recommends that the City Council approve this ordinance amending the FY 2017 Annual Budget and Plan of Municipal Services to provide funding for the Street Division Vehicle Repair and Maintenance account and Street Maintenance for slurry seal.

**DEPARTMENTAL CLEARANCES:**

Public Works  
City Attorney

**ATTACHED SUPPORTING DOCUMENTS:**

Ordinance