



DATE: January 22, 2020
TO: Mayor and City Council
FROM: Steve Groom, Finance Director
Kimberly Dominé, Finance Manager
Jen Morris, Financial Services Officer
RE: 2020 Budget Amendment

This budget ordinance effects course corrections based on new information for the 2020 Budget year that was not known at the time of budget adoption.

Budget amendment is a recurring budget process step; staff accumulates new information anticipating to bring adjustments of this type to council on an approximately quarterly basis and is typically for one of four reasons: 1) new additional revenue makes it possible to approve additional expenses, 2) if not yet disbursed by Feb. 28th (60 days), budgeted obligations of the prior year need to be rolled forward to match disbursement in the current year, 3) accumulated fund balances can be appropriated, and 4) corrections or changes between funds.

Staff requests approval of adjustments and corrections to the 2020 budget that are now known that were not known at the time of adoption, per the attached detail spreadsheet, described in more detail as follows:

New Revenue:

- 1) Air Service Grant revenue of \$12,500 has been approved, but was not budgeted; this adjustment increases both revenue and expense in equal and offsetting amounts.
- 2) GRIT Grant revenue of \$76,000 has been approved, but was not budgeted; this adjustment increases both revenue and expense in equal and offsetting amounts.
- 3) Housing Action Plan Grant of \$95,000 has been approved, but was not budgeted; this adjustment increases both revenue and expense in equal and offsetting amounts.

Prior-Year roll-forward from reserves

- 4) Appropriating 2019 savings for Police Department EvidenceOnQ \$191,500, for contract approved by council. Preliminary 2019 year-end General Fund's fund balance supports this.

From Fund Balance:

- 5) Fire Capital Fund needs \$191,500 to replace hydraulic rescue equipment, drawing down accumulated fund balance. Preliminary 2019 year-end fund balance is \$500,000.